

## Table of contents of Articles of Association

Chapter	Description	Page nos
I	Definitions	
II	Election/Selection of new Members	
	Membership/Trading membership	
III	Share Capital	
IV	Partnership firms,	
	Composite Members/Trading Members and Component Members/Trading Members	
	Multiple membership/ Trading membership	
	Continuous requirements for Membership/ Trading Membership	
	Buy-back/Surrender of Membership/ Trading Membership	
	Resignation from Membership/ Trading Membership	
	Termination from Membership/ Trading Membership	
	Claims against Deceased Member	
	Additional Terms in case of Company	
	Remisiers	
	Approved Users	
	Sub-brokers	
V	Business name	
	Nomination , Transfer, Transmission and Declaration of defaulter	
	Right of Membership/ Trading Membership and Right of Nomination of Deceased member/ Trading Members or Defaulter or Deemed Defaulter	
	Forfeiture and Re-issue of shares	
	Forms of application	
	Selection Process	
	Defaulter	
	Consequences of declaration of Defaulter	
	Transfer and Transmission of shares	
	Borrowing Powers	
VI	Functionaries	
VII	Constitution and Powers of General Meeting, Governing Board, Standing Committees and Executive Director	
	Powers of the Governing Board	
	Standing Committees	
	Audit Committees	
	Ethics Committee	
	President & Vice-President	
	Executive Director	
	Company Secretary	
VIII	Election and Appointment of members of the Governing Board, Vacancies in the Governing Board	
	Election of President & Vice-President	
	Public Representatives	
	SEBI Nominees	
	Selection of Executive Director	
	Procedure for election of Elected Members	
IX	Annual General Meetings	
	Extra-Ordinary General Meetings	
	Requirement of Quorum for General Meetings	
	Meetings of the Governing Board	
	Meetings of Standing Committees	

<b>X</b>	Disciplinary Proceedings	
<b>XI</b>	Finance and Accounts	
	Entrance Fees/Admission Fees/ Annual Subscription	
	Fees for Remisiers	
	Fees for Approved Users	
	Annual Returns	
	Profits	
	Accounts and Balance Sheet	
	Audit	
	Notices	
	Secrecy	
	Winding-up	
	Indemnity	

## THE CALCUTTA STOCK EXCHANGE ASSOCIATION LTD.

<b>Proposed Memorandum of Association after compilation of SEBI Model Rules</b>	
1	The name of the Association is “THE CALCUTTA STOCK EXCHANGE ASSOCIATION LIMITED”.
2	The Registered office of the Association will be situated in West Bengal.
3	The objects for which the Association is established are :-
(1)	To acquire and take over all or any of the assets and liabilities of the present unincorporated Association known as “The Calcutta Stock Exchange Association.” and to conduct the affairs of the Stock Exchange founded by that Association and generally to support and protect the character, status and interest of brokers and dealers in stocks and shares on the Stock Exchange of Calcutta and elsewhere.
(2)	To assist, regulate and control the trade or business in securities and for this purpose to frame and enforce Articles, Bye-laws, Regulations and Rules if any regulating the mode and manner, the conditions subject to which the business on the Stock Exchange shall be transacted and the rules of conduct of the members of the Exchange, including all aspects relating to membership, trading, clearing and settlement, constitution of committees, delegation of authority and general diverse matters pertaining to the Exchange and also including code of conduct and business ethics for the members and from time to time, to amend or alter such Articles, Bye-laws and Regulations or any of them and to make any new, amended or additional Articles, Bye-laws or Regulations for the purpose aforesaid.
(3)	To foster the development of a healthy, orderly and transparent capital market to facilitate channelling the savings of investors.
(4)	To admit members subject to the provisions of Securities Contracts(Regulation)Act and SEBI Act, and the Rules and Regulations made thereunder.
(5)	To support, protect and further the interests and the character and status of the:- a) investors at large; b) issuers; c) brokers, dealers, sub-brokers and any other intermediaries interested in securities, by whatever name called.
(6)	To maintain high standards of commercial honour and integrity.
(7)	To promote modernisation of operations and provide infrastructural facilities on the Exchange comparable to international standards through adoption of automated trading systems and procedures and to facilitate clearing and settlement in demat segment both in account period or rolling settlement or any in other acceptable manner and cycle.
(8)	To discourage and to suppress mal-practices detrimental to the interest of investors at large.
(9)	To settle disputes and to decide all questions of trading methods, practices, usages, custom or courtesy in the conduct of trade and business at the Exchange.
(10)	To facilitate resolution of disputes by arbitration or conciliation and to nominate arbitrators and conciliators on such terms and in such cases as may deem expedient; To set up regional or local arbitration and conciliation panels and to provide for arbitration and conciliation of all disputes and claims in respect of all transactions relating to or arising out of or in connection with or pertaining to transactions in securities and including arbitration and conciliation of disputes between members of the Exchange and between members of the Exchange and persons who are not members of the Exchange but are clients of members of the Exchange and also between sub-brokers and their clients; and to remunerate such arbitrators and conciliators and to make Articles, Bye-laws, Regulations and Rules if any in relation to such arbitration and conciliation proceedings, the fees of arbitrators and conciliators, the costs of such arbitration and conciliation, and related matters and to regulate the procedure thereof and enforcement of awards and generally to settle disputes and to decide all questions of usage, custom or courtesy in the conduct of trade and business in securities.
(11)	To regulate and fix the scale of commission and brokerage to be charged by members of the Exchange.
(12)	To protect the members of the Exchange against persons whose character or circumstances render them unworthy of credit.
(13)	To provide, regulate and maintain a suitable building, room or rooms for a Stock Exchange in Kolkata and with view thereto to enter into the agreement referred to in clause 3 of the Articles of Association and to carry the same into effect with or without modification and erect, construct and maintain such other building or buildings as may be considered necessary or desirable either for the use or convenience of the Exchange or members or for furtherance of the objects and purposes of the Exchange, to alter, add to, remove any such

		building / buildings, and to facilitate carrying out trading and settlement operations and related activities of the Exchange.
	(14)	To acquire by purchase, taking on lease or otherwise and develop any property movable or immovable and any rights or privileges necessary or convenient for the purpose of the Exchange, and in particular any land, buildings, easements or safe deposit vaults .
	(15)	To insure, manage, develop, sell, exchange, lease, let under lease, sublet, mortgage, dispose of, turn to account or otherwise deal with all or any part of the property of the Exchange.
	(16)	To borrow or raise any monies required for the objects and purposes of the Exchange upon such terms and in such manner and with or without security as may from time to time be determined and in particular by the issue of debentures, debenture stock, bonds or other securities, provided always and it is hereby expressly declared as an original and fundamental condition of any such borrowing or raising of monies that in all cases and under all circumstances any person claiming payment whether of principal or interest or otherwise howsoever in respect of the monies so borrowed or raised shall be entitled to claim such payment only out of the funds, properties and other assets of the Exchange which shall be deemed to be liable to answer and make good all claims and demands whatsoever under and in respect of the monies so borrowed or raised and not the personal funds, properties and other assets of all or any one or more of the members of the Governing Board of the Exchange or members of the Exchange, their or his heirs, executors, administrators, successors and assigns, who shall not and shall not be deemed to in anyway incur any personal liability or render themselves or himself personally subject or liable to any claims or demands or to be charged under and in respect of the monies so borrowed or raised, and in the event of the funds, properties and other assets of the Exchange being insufficient to satisfy the claims of all persons claiming payment as aforesaid, the right of any such person shall be limited to and he shall not be entitled to claim anything more than his part or share of such funds, properties and other assets of the Exchange in accordance with the terms and conditions on which the monies have been so borrowed or raised.
	(17)	To subscribe to, become a member of and co-operate with any other association, whether incorporated or not, whose objects are to promote the interest represented by the Exchange or to promote general commercial and trade interests and to procure from and communicate to such association such information as may further the objects of the Exchange or promote measures for the protection of the trade or any interest therein .
	(18)	To acquire, collect, preserve and disseminate through various media statistical or other information in connection with the trade, to maintain a library and to print, publish, undertake, manage and carry on any newspaper, journal, magazine, pamphlet or other works in connection with or in furtherance of the objects of the Exchange .
	(19)	To improve and elevate the technical and business knowledge of persons engaged in or about to be engaged in trade, banking, commerce or company administration or dealing in stocks, shares and debentures or in connection therewith and with a view thereto to providing for delivery of lectures and for the holding of classes and to test by examination or otherwise the competence of such persons and to award certificates and diplomas and to institute and establish scholarships, grants and other benefactions .
	(20)	To invest or advance the monies of the Exchange not immediately required in or upon such security or without any security and at or without interest and in such other investments as may from time to time be determined upon .
	(21)	To remunerate any person or Company for services rendered or to be rendered in placing or assisting to place or guaranteeing the placing of any debentures or other securities of the Exchange .
	(22)	To establish and support or aid in the establishment and support of any Exchange funds, trusts and conveniences calculated to benefit employees or ex-employees of the Exchange or the dependents or connections of any such persons and to grant pensions and allowances and to make payments towards insurance and to subscribe or guarantee money for charitable or benevolent objects or for any exhibition or for any public general or useful object .
	(23)	To undertake and execute any trusts the undertaking of which may seem to the Exchange desirable .
	(24)	To promote and inculcate honourable practices and just and equitable principles of trade and business.
	(25)	To provide for appropriate and efficient mechanisms for fulfilment of contractual obligations by creating funds separately for settlement guarantee, investor protection and compensation against claims of bad deliveries by any investor .
	(26)	To act as a custodian or depository of securities of all kinds, by itself or in association with or through any other company or person or Department of the Government or authority for purposes of storage, in any form, gratuitously or otherwise, letting on hire and otherwise disposing of, safes, strong rooms and other receptacles for money, securities and / or documents of all kinds .
	(27)	To make payments or disbursements out of or dispose of the funds or any property of the Exchange for any of the purposes specified in the Articles, Bye-laws and Regulations of the Exchange.
	(28)	To subscribe or guarantee money for charitable or benevolent objects or for any public, general or useful objects.

	(29)	To establish and support or assist in the establishment and support of any Exchange funds, trusts and conveniences calculated to advance and further the objects and purposes of the Exchange.
	(30)	To establish and maintain, or to arrange or appoint agents to establish and maintain clearing house for the objects and purposes of the Exchange or maintain a stock holding or clearing corporation or a clearing bank or a depository, clearing house or its division and to control and regulate the working and administration thereof .
	(31)	To enter into any arrangements with Government or any authority notified by the Government which may seem desirable and to obtain from Government or such authority any powers, rights, licences, privileges or concessions which may be deemed fit and desirable to obtain for promotion of the objects and purposes of the Exchange.
	(32)	To promote, form and register and aid in the promotion, formation and registration of any company or companies, subsidiaries or otherwise, for the purpose of acquiring all or any of the property, rights and liabilities of the Exchange, or for any other purposes which may seem directly or indirectly calculated to benefit the Exchange and to transfer to any such company any property of the Exchange, and to be interested in, or take or otherwise acquire, hold, sell or otherwise dispose of shares, debentures and other securities in or of any such company, or any other company, in connection with or in furtherance of all or any of the objects and purposes of the Exchange.
	(33)	To do all such other things as are incidental or conducive to the attainment of the above objects or any of them.
4		The liability of the members is limited.
5		The capital of the Association is Rs.3,00,000 divided into 1,200 shares of Rs. 250 each, with power to increase or reduce the capital of the Association for the time being and to subdivide or consolidate its shares and to divide the shares in the capital for the time being or its different shares and to attach thereto respectively such preferred, deferred or special rights, privileges or conditions as may be determined by or in accordance with the regulations of the Association and to vary, modify or abrogate any of such rights, privileges or conditions in such manner as may for the time being be provided by the regulations of the Association.

6. We, the several persons whose names and addresses are subscribed, are desirous of being formed into an Association in pursuance of this Memorandum of Association.

Name address and Descriptions of Subscribers	Number of shares taken by each Subscriber	Name, Address and Description of Witnesses
N.L. ROY & CO., Stock & Shares Brokers, 2, Royal Exchange Place, Calcutta	One	<b>T. MILNE CHAPMAN,</b> Stock Brokers, 1, Commercial Building, Calcutta
RAMDEV CHOKHANY, Stock Brokers 2, Royal Exchange Place, Calcutta	One	
MOHENDRA NATH ROY & SON, Stock Brokers 2, Royal Exchange Place, Calcutta	One	
PRASAD DAS BORAL & BROS. Stock Brokers 28, Swallow Lane, Calcutta	One	
MUGNEERAM BANGUR & CO., Stock Brokers 2, Royal Exchange Place, Calcutta	One	
PLACE, SIDDON & GOUGH Stock Brokers 1, Commercial Building, Calcutta	One	
D.A.GUBBAY & CO., Stock Brokers 6, Pollock Street, Calcutta	One	
J. REED & CO., Stock Brokers 2, Royal Exchange Place, Calcutta	One	
NARAYANDASS KHANDELWAL & CO. Stock Brokers 2, Royal Exchange Place, Calcutta	One	
CHUNDER COOKER UGURWAL & CO. Stock Brokers 2, Royal Exchange Place, Calcutta	One	
GORALALL SEAL Stock Brokers 2, Royal Exchange Place, Calcutta	One	
G. WARD & CO., Stock Brokers 2, Royal Exchange Place, Calcutta	One	
SUGAN CHAND BAGREE Stock Brokers 2, Royal Exchange Place, Calcutta	One	
<b>T O T A L</b>	<b>Thirteen</b>	

Dated, the 7<sup>th</sup> day of June, 1923

			<b>Draft Articles of Association</b>
			<b>CHAPTER – I</b>
			<b>Definition</b>
			In these presents, unless there be something in the subject or context inconsistent therewith:-
1.	a)		“Special Resolution” has the meaning assigned thereto by the Companies Act, 1956 (Section 189, Sub-Clause 2).
1.	b)		“The Exchange” means “The Calcutta Stock Exchange Association Ltd.”
1.	c)		“Governing Board” means and includes the Board of Directors or the Council of Management or the Governing Board or the Board, by whatever name called, vested with the general powers of management and superintendence and complete jurisdiction over all members and all matters contained in the various provisions under the Articles, Bye-laws and Regulations of the Exchange, and over the issuers of securities, which are listed on the Exchange, as per the provisions contained in the Listing Agreement and Bye-laws of the Exchange, and requirements prescribed from time to time by SEBI under the Securities Contracts(Regulation) Act, the SEBI Act and the Rules and Regulations made thereunder.
1.	d)		“The Office” means the Registered Office for the time being of the Exchange
1.	e)		“Member” means an individual or a company (as defined under the Companies Act) or a Financial Corporation admitted as such, and holding one or more shares of the Exchange and therefore enjoying voting right as a member of the Exchange.
1.	f)		“Trading Member” means an individual or a company (as defined under the Companies Act) or a Financial Institution who being a shareholder of the Exchange, obtains SEBI Registration and carries on broking business in the Exchange. A partnership firm can be a Trading Member provided its constituent partners are shareholders of the Exchange, obtain SEBI Registration and can carry on broking business in the Exchange.
1.	g)		“Associate” in relation to a stock broker, individual or body corporate or firm shall include a person :  i) who, directly or indirectly, by himself, or in combination with other persons, exercises control over the stock broker, whether individual, body corporate or firm, or holds substantial share of not less than 15 per cent in the capital of such entities, or  ii) in respect of whom the stock broker, individual or body corporate or firm, directly or indirectly, by itself or in combination with other persons, exercise control; or  iii) whose director or partner is also a director or partner of the stock broker, body corporate or the firm as the case may be .
1.	h)		“Clearing Member” means a member of the Clearing House of the Exchange, who shall undertake the responsibility of clearing and settlement of all the obligations outstanding in the Exchange in respect of those Members/Trading Members, who opt to operate through him as the Trading Members and also for the obligations created by such Trading Members, directly and/or on behalf of

			his clients, and such clearing members may be a ‘trading-cum-clearing member’ or a ‘custodian clearing member’ or a ‘professional clearing member’ or a ‘trading-cum-professional clearing member’.
1.	i)		“The Register” means the Register of members to be kept pursuant to Section 150 of the Companies Act, 1956;
1.	j)		“Month” means the English calendar month.
1.	k)		“In writing” includes handwriting, typewriting, lithography, fax, downloading through computers, e-mail and any other usual substitutes for writing.
1.	l)		“Words” importing the singular shall include the plural and vice versa.
1.	m)		“Base Capital” means and includes the base minimum capital, additional base capital, margin money, any other credit amounts, shares, debentures, bonds, units, other securities, bank guarantee, and other collateral, by whatever name called.
1.	n)		“Broker” means a Member/Trading Member carrying on stock-broking business as specified in these Articles.
1.	o)		“Business Associate” means any person employed by a member for remuneration or sharing of brokerage or otherwise for the purpose of soliciting securities related business and/or carrying out transactions in the market whether called a dealer, an approved user, an authorised representative, an agent, a sub-broker, a remisier, an employee or by any other name.
1.	p)		"Bye-laws" mean the Bye-laws of the Exchange for the time being in force.
1.	q)		“Company” means a company as defined under the Companies Act, 1956
1.	r)		“Contract” means a contract for or relating to the purchase and/or sale of securities.
1.	s)		“Control” shall include the right to appoint majority of the directors or to control the management or policy decisions exercisable by a person or persons acting individually or in concert, directly or indirectly, including by virtue of their shareholding or management rights or shareholders agreements or voting agreements or in any other manner.
1.	t)		“Family member” of a Member/Trading Member means a Member/Trading Member’s father or mother or spouse or son or sons or unmarried daughter or daughters or daughter-in-law or daughters-in-law or father’s brother or brothers or son’s or sons’ son or sons or brother or brothers or unmarried sister or sisters or brother’s or brothers’ son or sons.
1.	u)		“Investor” means any person buying and/or selling securities on a cash transaction basis as shown in a contract note issued by the broker and taking and/or giving delivery of the same, and called as client or constituent or by any other name.
1.	v)		“Issuer” means any company as defined under the Companies Act, or a body corporate, which intends to issue or has already issued the capital to the public in due fulfilment of various requirements governing such issue and notified by relevant authorities from time to time.
1.	w)		“Listed Securities” mean and include any one or more of the securities, which has/have been notified to have been listed on any one or more recognised Stock Exchanges.



1.	x)		Masculine gender includes feminine gender and also neuter gender in case of companies and Financial Institutions.
1.	y)		“Multiple Membership/Trading Membership ” means an individual or a company (as defined under the Companies Act,1956) having either, directly or indirectly, or is in the process of acquiring control in another entity which is a Member/Trading Member of either the same stock exchange and / or of any other stock exchange/s and shall include:
1. y)	i)		an individual Member/Trading Member , being a Member/Trading Member of one stock exchange, is also a Member/Trading Member of another stock exchange, or
1.y)	ii)		an individual, being a Member/Trading Member of one stock exchange is also a designated director of a company , which is a Member/Trading Member of another stock exchange, or
1.y)	iii)		an individual, who is a designated director of a company in which there are at least two designated directors and one of the designated directors is a Member/Trading Member individually of another stock exchange, or a designated director of a company which is a Member/Trading Member of another stock exchange, or
1.y)	iv)		an individual, being a Member/Trading Member of one stock exchange or an individual, who is a designated director of a company, which is a Member/Trading Member of one stock exchange, is a designated partner in any partnership firm of another stock exchange.
1.	z)		“Recognised Stock Exchange” means a stock exchange, which is for the time being recognised by the Central Government or SEBI under the provisions of the Securities Contracts(Regulation) Act.
1.	aa)		“Regulations” means the Regulations of the Exchange for the time being in force.
1.	bb)		“Seal” means the common seal of the Exchange adopted by the Governing Board for the time being.
1.	cc)		“SEBI” means the Securities and Exchange Board of India established under the SEBI Act.
1.	dd)		“Securities” include :
1.dd)	i)		Shares, scrips, stocks, bonds, debentures, debenture stock or other marketable securities of a like nature in or of any incorporated company or other body corporate;
1.dd)	ii)		Derivatives;
1.dd)	iii)		Government securities;
1.dd)	iv)		such other instruments as may be declared by the Central Government to be securities;
1.dd)	v)		rights or interest in securities; and
1.dd)	vi)		any other instruments that may be incorporated under the definition of securities in the Securities Contracts (Regulation ) Act.
1.	ee)		“Sub-broker” means any person or a Company or a Financial Institution who

			acts on behalf of a broker as an agent or otherwise for assisting the investors in buying, selling or dealing in securities through such broker.
1.	ff)		“Year” means the English calendar year commencing from 1st January and ending with 31st December.
1	gg)		Marginal notes shall not affect the construction thereof.
2.			The regulations contained in Table A (in the first Schedule to the Companies Act, 1956) shall not apply to the Exchange.
3.			The Exchange had entered into an Agreement with Messrs Girindra Nauth Roy and another for and on behalf of the unincorporated Association in the terms of a draft copy whereof was, for the purpose of identification subscribed by Geoffrey Lacy Scott, Solicitor of Calcutta, and the then Committee did carry the said agreement into effect with full power nevertheless (subject to the provisions of Section 99 of the Indian Companies Act, 1913), from time to time to agree to any modification of the terms of such agreement either before or after the execution thereof. The basis on which the Exchange was established was to acquire the property and assets of the said unincorporated Association on the terms set forth in the said agreement subject to any such modification (if any) as aforesaid and that the members of the then Committee of the said unincorporated Association were to be the first members of the then Committee of the Exchange and accordingly it did not have any objection to the said agreement and that the said members of the then Committee stood in a fiduciary position towards the Exchange and that the then Committee did not in those circumstances constitute an independent board and every Member/Trading Member of the Exchange present and future, was to be deemed to join the Exchange on the basis.
			<b>CHAPTER – II</b>
			<b>ELECTION / SELECTION OF NEW MEMBERS</b>
4.			<b>Number of Members/Trading Members</b> Subject to the provisions of the Securities Contracts (Regulation) Act and the Securities Contracts(Regulations) Rules and the provisions of the SEBI Act and the Rules and Regulations made thereunder, the Membership/Trading Membership of the Exchange shall consist of such number of Members/Trading Members as the Governing Board of the Exchange may determine from time to time.
5.			<b>Membership/Trading Membership – a Personal Permission</b> The Membership/Trading Membership shall constitute a personal permission from the Exchange to exercise the rights and privileges attached thereto subject to the Articles, Bye-laws and Regulations of the Exchange.
6.			<b>Right of Membership/Trading Membership Inalienable</b> A Member/Trading Member shall not assign, mortgage, pledge, hypothecate or charge his right to Membership/Trading Membership or any rights or privileges attached thereto and no such attempted assignment, mortgage, pledge, hypothecation or charge shall be effective as against the Exchange for any purpose nor shall any right or interest in any Membership/Trading Membership other than the personal right or interest of the Member/Trading Member therein be recognised by the Exchange. The Governing Board shall expel any Member/Trading Member of the Exchange who acts or attempts to act in violation of the provisions of this Article.
7.			<b>Forfeited or Lapsed Right of Membership/Trading Membership</b> A Member/Trading Member’s right of Membership/Trading Membership shall lapse or forfeit to or vest in the Exchange <i>ipso facto</i> upon such Member/Trading Member being declared a defaulter / deemed defaulter or expelled under the Articles, Bye-laws or Regulations of the Exchange for the time being in force, and it shall belong absolutely to the Exchange free of all rights, claims or interest of such Member/Trading Member or any person or authority claiming

			<p>through or against such Member/Trading Member , and the Governing Board shall be entitled to deal with or dispose of such right of Membership/Trading Membership ,as it may think fit.</p> <p>EXPLANATION: In case where a Member/Trading Member had obligations, engagements or dues outstanding and such Member/Trading Member expires before his fulfilment to the Exchange / Clearing House/ Settlement Guarantee Fund, such Member/Trading Member shall be declared a deemed defaulter by the Governing Board, if the legal heirs or legal representatives of the deceased Member/Trading Member fail to fulfil such obligations, engagements or dues as per the stipulated and pre-notified schedule. As a result, the same consequences shall follow as in case of declaration of a defaulter.</p>
8.			<p><b>Failure to Pay Subscription and other Fees</b>  Save as otherwise provided in the Articles, Bye-laws and Regulations of the Exchange, if a Member/Trading Member fails to pay his annual subscription, fees, charges or other monies which may be due by him to the Exchange/Clearing House/Settlement Guarantee Fund, within two months after notice, in writing, has been served upon him by the Officer of the Exchange authorised in that behalf, he may be suspended by the Disciplinary Action Committee until he makes payment, and if within a further period of six months he fails to make such payment, he renders himself liable for expulsion by the Governing Board.</p>
9.			<p><b>Membership Selection Committee</b>  The Governing Board shall nominate a Membership Selection Committee consisting of such number of persons, quorum, procedure of holding the Meetings etc. as maybe decided by the Governing Board subject, however, to the ratio of 40:60 between persons who are members of the stock exchange and persons who are not members of the stock exchange, with a specific responsibility to screen the applications for admission to Membership/Trading Membership of the Exchange.</p>
			<p><b>MEMBERSHIP/TRADING MEMBERSHIP</b></p>
10.			<p>No individual (other than such members as are existing on record on the date of these amendments will come into force on the approval of SEBI and individuals who will be entitled to shares on sub-division of shares) or company or Financial Corporation shall be eligible for Membership/Trading Membership of the Exchange until approved as eligible for admission by the Governing Board, subject however to the provisions of the Securities Contracts( Regulation) Act, 1956 , the Securities and Exchange Board of India Act, 1992 and the Rules made thereunder.</p>
11.			<p><b>Conditions Precedent for Eligibility to be a Member:</b></p>
11.	i)	<b>For Individuals</b>	<p>A person of at least 21 years of age and a citizen of India shall be eligible for being a Member of the Exchange on compliance with, interalia, the general conditions of Membership .</p>
11.	ii)	<b>For Companies/ Bodies Corporates</b>	<p>A company shall be eligible to be admitted / selected as a Member of the Exchange, if such a company fulfils the following legal, financial and other norms for admission.</p>
			<p><b>Legal Requirements for admission of Company as a Member under section 322 of the Companies Act.</b></p>
12.			<p>A company as defined in the Companies Act, 1956 (1 of 1956) shall be eligible to be elected / selected as a Member of the Exchange if -</p>
12.	i)		<p>Such company is formed in compliance with the provisions of Section 322 of the said Act;</p>

12.	ii)	a majority of the directors of such company are shareholders of such company ; and
12.	iii)	<p>The directors of such company, who are members of the Exchange, have unlimited liability in such company;</p> <p>PROVIDED THAT where the Securities and Exchange Board of India makes a recommendation in this regard the Governing Board of the Exchange shall, in relaxation of the requirements of this clause admit as Member, the following corporations, companies or institutions (collectively referred to as “the financial corporation”) namely</p> <p>i. The Industrial Finance Corporation of India established under the Industrial Financial Corporation Act, 1948 (15 of 1948);</p> <p>ii. The Industrial Development Bank Of India established under the Industrial Development Bank of India Act, 1964 (18 to 1964);</p> <p>iii. The Life Insurance Corporation of India established under the Life Insurance Corporation Act, 1956 (31 to 1956)</p> <p>iv. The General Insurance Corporation of India constituted under the General Insurance Corporation (Nationalisation) Act, 1972 (57 of 1972);</p> <p>v. The Unit Trust of India, established under the Unit Trust of India Act, 1963 (52 of 1953);</p> <p>vi. The Industrial Credit and Investment Corporation of India Limited, a company registered under the Companies Act, 1956 (1 of 1956); and</p> <p>vii. The subsidiaries of any of the corporations or companies specified in (i) to (vi) above and any subsidiary of the State Bank of India or any Nationalised Bank set up for providing merchant banking services, buying and selling securities and other similar activities.</p>
		<b>Legal Requirement for admission of company as a Member under section 12 of the Companies Act, 1956.</b>
13.		A company as defined in the Companies Act, 1956 (1 of 1956) shall also be eligible to be elected / selected as a Member of a Stock Exchange, if –
13.	i)	Such company is formed in compliance with the provisions of Section 12 of the said Act; and
13.	ii)	Such company undertakes to comply with such financial requirements and norms as may be specified by the Securities and Exchange Board of India / Governing Board.
14.		<p><b>Disqualification of Designated Directors</b></p> <p>The designated directors of a company are not disqualified to be eligible for being members of the exchange under clause (1) [except sub-clause (b) and sub-clause (f) thereof] or clause (3) (except sub-clause (a) and sub-clause (f) thereof] of Rule 8 of the Securities Contract(Regulation) Rules, 1957 and the designated directors of the company had not held the office of the designated directors in any company, which has been a Member/Trading Member of the Exchange and had been declared defaulter or expelled by the Exchange.</p>
15.		<p><b>Retirement Age of Designated Directors</b></p> <p>In the case of a company, whose affairs are being managed by the designated directors and who are accountable and responsible to the Exchange, the retiring age for such directors shall be as per the provisions of the Companies Act or the relevant law, as the case may be.</p>

16.			<p><b>Minimum Experience of Designated director</b> Not less than two directors of the company, acting as designated directors , shall possess a minimum of two years' experience-</p> <p>i) in dealing in securities; or ii) as portfolio managers; or iii) as investment consultants.</p> <p>PROVIDED further that the existing companies which are members of the Exchange on the date of amendment of this Article, shall comply with the requirements of this Article</p>
17.			<p><b>Designated Director not to do other business</b> A designated director of a company which is a Member/Trading Member of the Exchange shall not carry on any business either as a sole proprietor or as a designated partner of a firm or as a designated director of any other company, which is a Member/Trading Member of the Exchange, or hold office or place of profit as a designated director of any other company as long as he acts as a designated director of the company.</p>
18.			<p><b>Financial Requirements for a company</b></p>
18.	i)	<b>Minimum Paid-up Capital</b>	A company seeking admission as a Member/Trading Member of the Exchange shall have a minimum paid-up capital as may be specified by SEBI from time to time in addition to the value / consideration paid for acquiring Membership/Trading Membership right of the Exchange.
18.	ii)	<b>Maintenance of Net Worth</b>	A Member/Trading Member shall, at all times, maintain a net worth (i.e., the aggregate of paid up capital + free reserves) which shall conform to and be computed as per the norms as may be specified by SEBI from time to time.
18.	iii)	<b>Additional Financial and Other Requirements</b>	A Member/Trading Member shall, in addition to Articles 18(i) and 18(ii) above, also satisfy such other financial requirements as may be specified by SEBI and / or by the Exchange from time to time.
19.			<p><b>Promoters' Identity and Undertaking</b> A company seeking admission as a Member/Trading Member shall be required to disclose the identity of its promoters who are individuals. In case such a company is a subsidiary as defined under the Companies Act, then the identity of promoters of the holding company and if there is a chain of holding companies, then the identity of promoters of each of the holding companies in the chain is required to be disclosed. Such company shall ensure that the promoters are not disqualified, from being a Member/Trading Member of the Exchange under clause (1) [except sub-clause (b) and sub-clause (f) thereof] or clause (3) [except sub-clause (a) and sub-clause (f) thereof] of Rule 8 of the Securities Contracts (Regulation) Rules, 1957 or under the conditions of eligibility prescribed herein above.</p>
20.			<p><b>Prior approval of the Exchange for change in Shareholding Pattern</b> Subject to such terms and conditions as the Governing Board may prescribe from time to time and with the prior written approval of the Governing Board, transfer of the Membership/Trading Membership right may be effected as follows:</p>
20.	i)		by making nomination under these Articles;
20.	ii)		by an amalgamation or merger of a Member/Trading Member company;
20.	iii)		by take-over of a Member/Trading Member company;
20.	iv)		by transfer of the Membership/Trading Membership of a Member/Trading Member firm to a new firm, in which, all the existing partners are not partners; and
20.	v)		by two or more members coming together to form a new partnership firm /

			company.
			<b>General Conditions</b>
21.			A person shall be eligible for being a Member/Trading Member, if he:
21.	i)	<b>Educational Qualification</b>	has passed the graduation / degree examination of a recognised university from any discipline or such higher qualification, as may be prescribed by the Governing Board from time to time; provided wherever any Member/Trading Member with less qualification has already been admitted prior to these Articles coming into force, such Member/Trading Member would be allowed to continue without acquiring the prescribed qualification. However, such continuing Member/Trading Member shall be required to undergo refresher course as prescribed under Article 89 .
21.	ii)	<b>Professional Qualification</b>	has passed the Certificate / Diploma course or examination as may be recognised by SEBI from time to time;
21.	iii)	<b>Past Experience</b>	has worked for not less than two years as partner with or as a sub-broker / remisier, or as an assistant in the dealing room or in the back office of a Member/Trading Member, or as a dealer in securities, or as a portfolio manager, or as an investment consultant, or does succeed to the established business of a deceased or retiring Member/Trading Member, who is his family Member/Trading Member, where he has worked for a minimum period of two years, unless he agrees to work for a minimum period of two years as specified above, as a partner or as a Member/Trading Member with another Member/Trading Member. During this period he shall enter into transactions on the automated trading system of the Exchange not in his own name but in the name of such other Member/Trading Member .
21.	iv)	<b>Financial Soundness</b>	does have a minimum net worth, does possess a minimum working capital of cash and / or marketable securities, and does possess assets belonging to himself and / or his spouse or children of such nature and value as the Governing Board may from time to time determine and consider acceptable;
21.	v)	<b>Insolvency</b>	has not been adjudged insolvent;
21.	vi)	<b>Compounded with Creditors</b>	has not compounded with his creditors unless he has paid 100 paise in a Rupee;
21.	vii)	<b>Fraud</b>	has not been convicted of an offence involving fraud or dishonesty;
21.	viii)	<b>Unsound Mind</b>	has not been found to be of unsound mind, by a court of competent jurisdiction;
21.	ix)	<b>Insolvent</b>	has not applied to be adjudicated as an insolvent and the application is pending;
21.	x)	<b>Moral Turpitude</b>	has not been convicted by a court of competent jurisdiction of any offence involving moral fraud or dishonesty or turpitude and sentenced in respect thereof to imprisonment for more than six months, and a period of five years has not elapsed from the date of expiry of the sentence;
21.	xi)	<b>Engaged in other Business activities</b>	has not been engaged as principal or employee in any business other than that of securities or stock broking , and if so, he undertakes to sever his connection with such business within a period of not more than three months from the date this requirement comes into force.
21.	xii)	<b>Expelled Member/Trading Member or Defaulter</b>	has not been at any time expelled or declared a defaulter by any other stock exchange;
21.	xiii)	<b>Guilty of Contravention</b>	has not been punished for contravention of any of the provisions of the Securities Contracts(Regulation) Act and/or the SEBI Act or any rules or regulations made thereunder or any other applicable Act or any rules or regulations made thereunder and a period of two years or any longer period, as

21.	xiv)	<b>Previous rejection for admission to Membership/ Trading Membership</b>	<p>may have been specified by SEBI in its order, has elapsed from the date of order of punishment, and in case such person is sentenced to imprisonment by a competent Court of Law, a period of five years has elapsed from the date of expiry of sentence.</p> <p>has not been previously refused admission to Membership/Trading Membership and a period of one year has elapsed since the date of such rejection;</p> <p>PROVIDED that the Governing Board may waive compliance with conditions under Articles 21(i) to 21(iii) above, if the person seeking admission is in respect of means, position, integrity, knowledge and experience of business in securities considered by the Governing Board to be otherwise qualified for Membership/Trading Membership .</p>
22.			<p><b>Common Applicability of Conditions</b></p> <p>The general conditions referred to above shall apply, in like manner, in case of a partnership firm to its designated partners and in the case of a company , at least two of its designated directors.</p>
			<b>Other Norms</b>
23.			<p><b>Other Financial Requirements And Norms</b></p> <p>The company undertakes to comply with such financial requirements and norms as may be specified by SEBI for registration of such company under sub-section 1 of Section 12 of the SEBI Act.</p>
24.			<p><b>Specifying Stock-broking and allied activities a Main objects</b></p> <p>The main objects in the objects clause of the Memorandum of Association of the company should be confined mainly to stock-broking business. However, the main objects may also include allied matters such as acting as underwriter, broker to the issue, dealer in securities, buying and selling of shares and securities, merchant banking, market maker, registrar to the issue, share transfer agent, investment business, portfolio management, investment counsel, fixed deposit broker, financial consultant, financial and discount broker, and adviser / manager / co-manager to the issue.</p>
25.			<p><b>No Branch Office without prior approval of the Exchange</b></p> <p>No Member/Trading Member of the Exchange shall open a Branch office anywhere without the prior approval of the Exchange.</p>
26.			<p><b>Compliance Officer</b></p> <p>Every Member/Trading Member of the Exchange shall appoint a compliance officer, who shall be solely accountable for ensuring compliance of all the statutory requirements of the Member/Trading Member, as may be prescribed by the Exchange / SEBI from time to time. If any Member/Trading Member fails to appoint a compliance officer, the individual in the case of an individual Member/Trading Member or the designated partners in the case of a partnership firm or the designated directors in the case of a company , as the case may be, shall be deemed to have assumed himself / themselves the accountability of the compliance officer until such time the compliance officer is appointed. The name of the compliance officer should be communicated to the Exchange. However, the acceptance of the name of the Compliance officer will be at the sole discretion of the Governing Board.</p>
			<b>CHAPTER – III</b>
			<b>SHARE CAPITAL</b>
27.			The Capital of the Exchange of Rs.3,00,000/- consisting of 1,200 Ordinary Shares of Rs.250/- each .
28.			<p><b>Sub-division/ Consolidation of shares</b></p> <p>The Exchange will have the power to sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the Memorandum, subject to the provisions of Clause (d) of Sub-clause (1) of Section 94 of the Companies Act, 1956 and will also have the power to increase or reduce the capital of the Company for the time being or to consolidate its shares.</p>

29.			<b>Shares to be under the control of the Governing Board</b> Subject to the provisions of these Articles, the shares shall be under the control of the Governing Board who may allot the same at the nominal value of Rs. 250/- each to such individual or company or Financial Corporation and at such time as the Governing Board may think fit.
30.			<b>Allotment/ return</b> As regards all allotments from time to time made, the Governing Board shall duly comply with Section 75 of the Companies Act, 1956.
31.			<b>Not to recognise any equitable or other claims</b> Save as herein otherwise provided, the Exchange shall be entitled to treat the Registered holder of any share as the absolute owner thereof and accordingly shall not, except as ordered by a court of competent jurisdiction, or as by statute required, be bound to recognise any equitable or other claim to or interest in such share on the part of any other person.
32.			<b>Minors &amp; Joint holders not to be members</b> No share shall be registered in the name of a minor or in the name of joint-holders.
33.			<b>Register of members</b> A Register shall be kept in which not only the names of the members but also their addresses are to be recorded. Any change in the address of a Member/Trading Member shall be communicated in writing to the Secretary and be recorded in the aforesaid register.
			<b>SHARE CERTIFICATES</b>
34.			<b>Shares to be issued under the seal of the Exchange</b> The certificates of title to shares and duplicates thereof when necessary shall be issued under the Seal of the Company signed by two members of the Governing Board and countersigned by the Secretary.
35.			<b>Identifying nos/ Distinctive nos.</b> Every Member/Trading Member shall be entitled to a certificate for the share registered in his name. Such certificate shall specify the denoting number of the share in respect of which it is issued and the amount paid-up thereon.
36.			<b>Issue of duplicate certificates</b> If any certificate be worn out or defaced, then, upon production thereof to the Governing Board they may order the same to be cancelled, and may issue a new certificate in lieu thereof, and if any certificate be lost or destroyed then, upon proof thereof to the satisfaction of the Governing Board and on such indemnity as the Governing Board deem adequate being given, a new certificate in lieu thereof shall be given to the registered holder of the share to which such lost or destroyed certificate shall relate.
37.			<b>Fee for issue of duplicate certificates</b> For every certificate issued under Article 36 above, fees shall be paid to the Exchange as may be determined by the Governing Board from time to time.
38.			<b>New certificates</b> Where any share issued under the powers in that behalf herein contained is sold by the Governing Board and the certificate thereof has not been delivered up to the Exchange by the former holder of the said shares, the Governing Board may issue a new certificate for such share distinguishing it in such manner as they may think fit from the certificate not so delivered up.
39.			<b>Fully paid up shares to be issued.</b> No share be allotted otherwise than upon the condition that the full amount payable therein shall be paid or credited as fully paid upon allotment.
			<b>CHAPTER - IV</b>
			<b>PARTNERSHIPS FIRMS, COMPOSITE/MULTIPLE MEMBERS, REMISIERS, APPROVED USERS, SUB-BROKERS</b>
40.			<b>Who May Form Partnership</b>



			No partnership shall be formed except between two or more Members of the Exchange.
41.			<b>Prohibition of other Business</b> Neither the partnership firm nor any of its partners shall engage itself or himself as principal or employee in any business other than that of securities or stock-broking except as a broker or agent not involving any personal liability unless the firm or the partner concerned undertakes prior to admission to sever such business, within a period of not more than three months from the date this requirement comes into force or from the date of admission or if in employment, on the date of admission itself.
42.			<b>Partner in One Firm Only</b> No person shall at the same time be a designated partner in more than one partnership firm.
43.			<b>Partnership with Non-members forbidden</b> No person, who is not a Member of the Exchange, shall be admitted a partner of any partnership firm .
44.			<b>Partnership with Suspended/Surrendered Members Forbidden</b> A Member shall not, without the special permission of the Governing Board, form a partnership with a Member who has been suspended from, and/or surrendered the Membership, and/or given up the Membership under the scheme of buyback and/or been declared a defaulter by any one or more of the stock exchanges or who has been expelled or whose registration under the SEBI Act is either suspended or cancelled by SEBI.
45.			<b>Contingent Partnership</b> A Member/Trading Member shall not borrow money or securities from a non-member on terms that the lender shall receive a rate of interest varying with the profits or shall receive a share of the profits.
46.			<b>Partnership Interest not to be Assigned</b> No partner in any partnership firm shall assign or in any way encumber his interest in such firm.
47.			<b>Fictitious Partnership Names Forbidden</b> Save as otherwise provided in these Articles, no member/Trading Member shall conduct business under a firm name unless it shall have at least two designated partners.
48.			<b>Misleading Names</b> The Governing Board shall refuse to allow a partnership firm to carry on business under a name which it considers misleading.
49.			<b>Transactions With Individual Partners</b> A Member/Trading Member shall not transact any business or make any bargain for and on behalf of a partner of a partnership firm and such partnership firm shall not be liable for any business transacted by a Member/Trading Member in the name of only one of the partners of the partnership firm.
50.			<b>Governing Board Sole Judge of Partnership</b> The Governing Board shall be the sole judge as to what constitutes partnership within the meaning of these Articles and its decision shall be final.
51.			<b>Permission Necessary</b> No Member/Trading Member shall form a partnership or admit a new partner to an existing partnership or make any change in the name of an existing partnership without the prior approval of the Governing Board/Executive Director.
52.			<b>Changes in Partnership</b> The Members constituting the partnership must communicate to the Executive Director in writing under the signatures of all the partners or surviving partners who are Members of the Exchange, any change in such partnership either by dissolution or retirement or death of any partner or partners or on account of any other reason affecting continuation of the partnership.
53.		<b>Notice of Dissolution of Partnership</b>	<b>Intimation in Prescribed Form</b> The Governing Board may from time to time prescribe forms for the purpose of Article 52. The notice to the Executive Director, intimating dissolution of a partnership, shall contain a statement as to who undertakes the responsibility of

			settling all outstanding liabilities but that shall not be deemed to absolve the other partner or partners of his or their responsibility for such liabilities.
54.			<b>Notice of Formation of and Changes in Partnership</b> On the Governing Board giving its sanction where necessary, a notice of the partnership and the names of the partners and of any change therein shall be posted on the notice board of the Exchange and broadcast through the automated trading system of the Exchange and no partnership shall be considered formed, altered or dissolved until it is so notified.
55.			<b>Withdrawal of Permission</b> The Governing Board, in its absolute discretion, may at any time by a special majority resolution terminate any permission, which it may have given with respect to a partnership and the partners affected shall conform to such directions forthwith as the Governing Board may make with respect thereto.
56.			<b>Names to be Printed</b> A partnership firm shall state on all communications and circulars relating to Stock Exchange business and on all contract notes the name of the firm and the names of all partners therein.
57.			<b>Liability of Member/Trading Member Partners</b> Members of the Exchange, who are partners of a firm which is guilty of any act of commission or omission, shall render any such Member/Trading Member liable to expulsion, suspension or any other penalty, as the case may be.
58.			<b>Liability of Partners</b> During the continuance of any partnership, the Governing Board may, at any time, inquire into the conduct of a partner and hold him liable to discipline in the same manner and to the same extent as if he were a Member/Trading Member of the Exchange.
59.			<b>Joint and Several Liability</b> Business by a partnership firm shall be done in the name of the firm and all the partners of the firm shall be liable jointly and severally in respect of all dealings of the firm.
60.			<b>Surviving/Continuing Partner working in Firm Name</b> A Member, who is a surviving or continuing partner of a partnership firm, may, with the permission of the Executive Director, continue business in the name of the firm of which he was a partner.
61.			<b>Partnership Dissolved on Declaration of a Defaulter</b> The partnership firm shall <i>ipso facto</i> get dissolved upon it being declared a defaulter by the Governing Board as provided in the relevant Articles, Bye-laws and Regulations of the Exchange.
62.			<b>Cessation of Trading Membership upon dissolution of Firm</b> When a Firm so constituted is dissolved, the name of the firm shall be removed from the Register of Partnership Firms and thereupon the members who are partners thereof may carry on the business in their own individual names.
63.			<b>Disseminate notice of formation of and/or changes in partnership</b> Notice of the formation of a partnership, the partners and every change therein shall be posted on the Notice Board and disseminated through the automated trading system of the Exchange.
64.			<b>Contract in the name of Firm only</b> So long as the name of a firm is entered in the Register of Partnership Firms, the individual partners thereof shall not carry on business separately or issue any contract in the separate names. The partners of the firm shall do business on account of the firm and jointly.
65.			<b>Register of Partnership Firms</b> A Register of Partnership Firms shall be maintained by the Exchange under the authority of the Executive Director, in which shall be entered the names of partnerships and the names and addresses of the partners and any change in such partnerships or names together with the relevant dates.
			<b>COMPOSITE CORPORATE MEMBERS/TRADING MEMBERS AND COMPONENT MEMBERS /TRADING MEMBERS</b>

66.			<p><b>Admission of Composite Corporate Member</b> When a company constituted by more than one member of the Exchange, is admitted as a corporate member of the Exchange in place of such member or a corporate member of the Exchange and acquires more than one share in accordance with and subject to fulfillment of all other applicable bye-laws and regulations of the Exchange including provisions relating to admission of new members, such a corporate member will be known as a Composite Corporate Member and the membership right(s) held by the Composite Corporate Member will be known as Component Membership(s).</p>
67.			<p><b>Fulfilment of All Eligibility Criteria</b> A Composite Corporate Member/Trading Member shall fulfill all eligibility criteria for admission of Membership/Trading Membership and for contribution of Membership/Trading Membership as is applicable to corporate members of the exchange and also such other criteria as the Exchange and /or SEBI may prescribe from time to time.</p>
68.			<p><b>Limit on Number of Memberships/Trading Memberships</b> A Composite Corporate Member/Trading Member shall not hold more than such number of shares as may be decided by the Governing Board of the exchange from time to time.</p>
69.			<p><b>Payment of Fees</b> The Composite Corporate Member/Trading Member shall pay the entrance fee, admission fee and annual subscription membership deposit payable to the Exchange and fees payable to SEBI in respect of each Component Membership/Trading Membership .</p>
70.			<p><b>Networth Requirement</b> The networth of the Composite Corporate Member/Trading Member shall be computed in the manner as may be prescribed by SEBI from time to time.</p>
71.			<p><b>Number of Votes</b> A Composite Corporate Member/Trading Member shall have only one trading right but shall be entitled to have as many votes as the number of its Component Memberships/Trading Memberships at meetings of the members of the Exchange but shall have only one representative on the Governing Board or any Standing Committee of the Exchange for all the Component Memberships/Trading Memberships in accordance with the Articles, Bye-laws and Regulations of the Exchange.</p>
72.			<p><b>Disassociation from Component Memberships/Trading Memberships</b> A Composite Corporate Member/Trading Member may disassociate itself with any one or more of its Component Memberships/Trading Memberships only after a period of two years from the date of association of that Component Membership/Trading Membership with the Composite Corporate Member/Trading Member . The liabilities, if any, relating to the Component Membership/Trading Membership in respect of which the Composite Corporate Member/Trading Member has disassociated will continue to be borne by remaining Composite Corporate Member/Trading Member.</p>
73.			<p><b>Jointly and Severally Liable upon disassociation</b> Any one or more Component Member/Trading Member may disassociate itself/ themselves from the Composite Corporate Membership/Trading Membership only after a period of two years from the date of association with the Composite Corporate Member/Trading Member . The liabilities, if any, whether relating to Component Member/Trading Member or Composite Corporate Member/Trading Member , shall, however, be borne jointly and severally by the remaining Composite Corporate Member/Trading Member and severally by each of the Component Members .</p>
74.			<p><b>Books of Accounts</b> The Composite Corporate Member/Trading Member shall maintain</p>

			only one set of books of accounts for all the Component Memberships.
75.			<p><b>Action to Operate Against all Component Memberships/Trading Memberships</b>  Any action by the Exchange / SEBI against the Composite Member/Trading Member, whether by way of censure, warning, fine, limitation, withdrawal or suspension of Membership/Trading Membership rights, expulsion or declaration of defaulter or otherwise, shall operate against all the Component Memberships/Trading Memberships of the Composite Corporate Member/Trading Member .</p> <p>CLARIFICATION: Without prejudice to the generality of this Article, it is clarified that on declaration of defaulter or expulsion of a Composite Corporate Member/Trading Member , for any reason whatsoever, the Composite Corporate Member/Trading Member shall cease to be a Member/Trading Member of the Exchange in respect of all its Component Memberships/Trading Memberships, and the rights of nomination in respect of all such Memberships/Trading Memberships shall vest in the Exchange in accordance with the provisions of the Articles, Bye-laws and Regulations of the Exchange.</p>
76.			<p><b>Cessation of Membership/Trading Membership</b>  If a Composite Corporate Member/Trading Member is dis-entitled to or disqualified from continuing as a Member/Trading Member of the Exchange for any reason, the Composite Corporate Member/Trading Member shall cease to be a Member/Trading Member of the Exchange in respect of all the Component Memberships/Trading Memberships and the right of nomination in respect of all such Memberships/Trading Memberships shall cease and vest in the Exchange in accordance with the provisions of the Articles, Bye-laws and Regulations of the Exchange.</p>
77.			<p><b>Liability how Crystallises</b>  Where a Member/Trading Member of the exchange is entitled to any right or privilege or is liable to pay any amount to the exchange or discharge any liability or obligation to the exchange and the Articles, Bye-laws and Regulations of the exchange do not stipulate whether a Composite Corporate Member/Trading Member is entitled to such right or privilege or is liable to pay such amount or discharge, the Governing Board may, by resolution, stipulate in this regard that such liability or obligation in proportion to the Component Memberships/Trading Memberships , notwithstanding the Component Membership/Trading Membership, the Composite Corporate Member/Trading Member is entitled or is liable only to the same extent as a Member/Trading Member who is not a Composite Corporate Member/Trading Member .</p>
78.			<p><b>Maintenance of Base Minimum Capital</b>  The Composite Corporate Member shall maintain the Base Minimum Capital in respect of each Component Membership, in accordance with the provisions of the Bye-laws and Regulations and such other conditions as the Governing Board of the Exchange may from time to time stipulate.</p>
			<b>MULTIPLE MEMBERSHIP/TRADING MEMBERSHIP</b>
79.			<p><b>Onus of Disclosures</b>  The onus of disclosure of holding of multiple Memberships/Trading Memberships of various stock exchanges shall rest with the respective Member/Trading Member.</p>
80.			<p><b>Requirements to be Fulfilled</b>  Where a Member/Trading Member seeks admission to become a Member/Trading Member of one or more stock exchanges, other than the one where he is a Member/Trading Member , the requirements of multiple membership shall be fulfilled in respect of each of such other</p>

			stock exchanges. Further separate and segregated accounts shall be maintained by such Member/Trading Member in respect of each of such stock exchanges.
81.			<b>Books of Accounts</b> For the purpose of the exchange / SEBI, a Member/Trading Member shall be required to maintain the books of accounts and other records relating to trading operations in a consolidated manner so as to project overall obligations of the Member/Trading Member.
82.			<b>Conditions Precedent For Multiple Membership/Trading Membership</b> A Member/Trading Member should have operated his Membership/Trading Membership for a period of at least five years before seeking Membership/Trading Membership of another stock exchange.
83.			<b>Criteria for Applying for Multiple Membership/Trading Membership</b> Any person, who is a Member/Trading Member of one stock exchange but for a period less than five years, may apply for Membership/Trading Membership of another stock exchange on the condition that he shall, before accepting the Membership/Trading Membership of the latter stock exchange, relinquish the Membership/Trading Membership of the former stock exchange.
84.			<b>Non-Applicability of Criteria where Net Worth Criteria Meets</b> The requirements under Articles 82 and 83 above shall not be applicable to an individual or a partnership firm or a company, provided such entity meets the networth criteria separately for each of the stock exchanges.
85.			<b>Exchange of Report Between Stock Exchanges</b> A Member/Trading Member rendering himself frequently to disciplinary action in any other exchange should normally not be entitled to be a Member/Trading Member of this exchange.
86.			<b>Entrance Fee, Admission Fee, Annual Subscription And Base Minimum Capital</b> The entrance fee, admission fee, annual subscription and base minimum capital in respect of multiple Member/Trading Member shall be the same as are applicable at the respective stock exchanges for their members.
87.			<b>Membership/Trading Membership of other Stock Exchanges</b> A Member/Trading Member of another exchange may be permitted to have Membership/Trading Membership in this exchanges, after a careful scrutiny of his financial position and appraisal of past performance as a Member/Trading Member and subject to the condition that at least one authorised representative of the Member/Trading Member shall normally reside in Kolkata. Similarly a partnership firm may be permitted to be a Member/Trading Member in this exchanges subject to the condition that at least one designated partner of the firm shall normally reside in Kolkata. The company may also be permitted to have Membership/Trading Membership in this exchanges subject to the condition that at least one of its designated directors resides in Kolkata.
88.			<b>Membership/Trading Membership on Governing Board / Standing Committee of not more than one exchange</b> No individual Member/Trading Member shall be allowed to be on the Governing Board or Standing Committees of more than one stock exchange. If, however, the Membership/Trading Membership entity has more than one Member/Trading Member, then such entity may be permitted to be on the Governing Board or Standing Committees of as many stock exchanges as the number of Memberships/Trading Memberships, provided the same person is not on the Governing Board or Standing Committees of more than one stock exchange.
			<b>CONTINUOUS REQUIREMENTS FOR MEMBERSHIP/TRADING MEMBERSHIP</b>
89.	i)	<b>Members to undergo Refresher course</b>	A person admitted to Membership/Trading Membership is required to undergo, at least at an interval of every three calendar years, a refresher course on the syllabus covering the stock market / capital market, as maybe prescribed by the

			governing board and/or SEBI.
89.	ii)	<b>Refresher course- for Member/ Trading Member firms and corporate members</b>	In the case of a partnership firm , formed between two or more members of the Exchange, the condition stipulated in Article 89(i) shall be applicable to the two designated partners of the firms who are the members of the Exchange. In the case of a company , this condition shall be applicable to the two designated directors of the company.
90.			<b>Capital Adequacy</b> A person, admitted to Membership/Trading Membership of the exchange, even if he is inactive, is required to maintain at any time the base minimum capital, as may be prescribed by the governing board and / or SEBI from time to time and such other additional base capital and / or margins as may be required and payable in accordance with the Articles, Bye-laws and Regulations of the exchange and the resolutions or orders issued in that regard, and also pay his dues to the settlement /trade guarantee fund of the exchange, as may be prescribed by the governing board, from time to time.
91.			<b>Fund Based Activities</b> A person admitted to Membership/Trading Membership of the Exchange, shall not undertake any of the fund based activities at any time.
92.			<b>Right of nomination for deceased Members/Trading Members</b> In the case of deceased members/Trading Members where no recorded nomination exists, the legal heirs / legal representatives will be given a notice to exercise the right to nominate, and if the legal heirs / legal representatives fail to do so within a maximum period of two years, the right of nomination shall vest in the Governing Board. The Governing Board shall then cause to dispose off the right of Membership/Trading Membership including shareholding in the exchange of the deceased Member/Trading Member.
93.			<b>Payment of Dues</b> A person, admitted to Membership/Trading Membership of the Exchange, is required to pay within the prescribed time all the dues payable to the Exchange including the dues to the Settlement Guarantee Fund / Investor Protection Fund or any other fund that may be established by the Exchange.
			<b>BUY-BACK / SURRENDER OF MEMBERSHIP/TRADING MEMBERSHIP</b>
94.			<b>Resolution of Governing Board necessary</b> Notwithstanding anything contained in any other Articles, Bye-laws and Regulations of the Exchange, the Governing Board, by a resolution, may decide to buy-back the Memberships/Trading Memberships of the Exchange from its members , willing to surrender their rights, on such terms and conditions as may be decided by the Governing Board. The resolution so adopted shall not be effective until it is approved by SEBI.
95.			<b>Prohibition to re-issue Membership/Trading Membership rights surrendered to/ bought back by Exchange</b> The right of Membership/Trading Membership surrendered by any Member/Trading Member under any scheme announced by the Governing Board, whether called buy back, surrender or otherwise, shall not be issued / re-issued by the Governing Board to any Member/Trading Member at any time.
96.			<b>Notice of Surrender</b> Any Member/Trading Member, willing to surrender his Membership/Trading Membership right of the Exchange, shall serve a written notice to that effect on the Exchange and the Exchange shall either post such notice on the notice board or broadcast it through the automated trading system of the Exchange.  PROVIDED that in case of a Member/Trading Member which is a company, such notice shall be accompanied by a copy of the resolution passed at a meeting of the Board of Directors of such company /containing the decision to surrender the Membership/Trading Membership of the Exchange, and such copy shall be certified as true by the Chairman, if any, or by a designated director of the company, as the case may be.
97.			<b>Acceptance or Refusal of Surrender</b>

			The Governing Board may accept the surrender of Membership/Trading Membership of a Member/Trading Member , either unconditionally or on such conditions as it may think fit or may, refuse to accept such surrender and in particular may refuse such surrender until such Member/Trading Member settles all outstanding transactions and other liabilities, if any, in accordance with the scheme approved by the Governing Board to the satisfaction of the Executive Director.
			<b>RESIGNATION FROM MEMBERSHIP/TRADING MEMBERSHIP</b>
98.			<b>Notice of Resignation</b> A Member/Trading Member wishing to resign from the Membership/Trading Membership of the Exchange shall serve on the Exchange a written notice to that effect which shall be posted on the notice board / broadcast through the automated trading system of the Exchange.  PROVIDED that in case of a Member/Trading Member which is a company , such notice shall be accompanied by a copy of the resolution passed at a meeting of the Board of Directors of such company containing the decision to resign and such copy shall be certified as true by the Chairman, if any, or by a designated director of the company , as the case may be.
99.			<b>Objection to resignation</b> A Member/Trading Member objecting to any resignation that has been notified shall communicate the grounds of his objection to the Executive Director by letter within fourteen days of the posting / broadcast of such notice.
100.			<b>Acceptance or refusal of Resignation</b> The Governing Board may accept the resignation of a Member/Trading Member either unconditionally or on such conditions as it may think fit or may refuse to accept such resignation and in particular may refuse to accept such resignation until such Member/Trading Member settles all outstanding transactions and other liabilities, if any, to the satisfaction of the Executive Director.
			<b>TERMINATION OF MEMBERSHIP/TRADING MEMBERSHIP</b>
101.	i)	<b>Non-Indian citizen</b>	No member/ Trading Member shall continue as such if : he ceases to be a citizen of India;
101.	ii)	<b>Adjudged Insolvent</b>	he is adjudged insolvent;
101.	iii)	<b>Convicted of Fraud</b>	he is convicted of an offence involving fraud or dishonesty ;
101.	iv)	<b>Engaged In Other Business</b>	he engages either as principal or employee in any business other than that of securities except as a broker or agent not involving any personal financial liability.  PROVIDED that the Governing Board may, for reasons to be recorded in writing, permit a Member/Trading Member to engage himself as principal or employee in any such business if such Member/Trading Member ceases to carry on business on the Exchange either as an individual or as a designated partner in a firm;
101.	v)	<b>Failure to maintain Minimum Networth, Working Capital And Assets</b>	he ceases to have or possess the minimum networth, the minimum working capital and the assets, as may be determined by the Governing Board from time to time;
101.	vi)	<b>Company ceases to meet/maintain eligibility criteria for Membership/ Trading Membership</b>	being a company , it ceases to maintain or have the characteristics of eligibility as a Member/Trading Member under the provisions of Article 11(ii) and

101.	vii)	<b>Eligibility Criteria of Directors Not Maintained</b>	he being a designated director of a company , ceases to possess any one or more of eligibility criteria in force.
102.			<b>Expulsion Rules to apply to Members/Trading Members</b> When a Member/Trading Member ceases to be such under the provisions of Articles 101(i) to 101(vii) above, it shall be as if such Member/Trading Member has been expelled by the Governing Board and in that event the provisions relating to expulsion contained in the Articles, Bye-laws and Regulations of the Exchange shall apply to such Member/Trading Member in all respects.
103.			<b>Rights and privileges of Membership/Trading Membership forfeited upon expulsion of Member/Trading Member</b> On a Member/Trading Member being expelled, his right of Membership/Trading Membership shall stand forfeited forthwith and <i>ipso facto</i> vest in the Governing Board and all rights and privileges as a Member/Trading Member of the Exchange including any right to the use or any claim upon or any interest in any property or funds of the Exchange shall cease to exist but any liability of such expelled Member/Trading Member to the Exchange or to any other Member/Trading Member of the Exchange shall continue and remain unaffected.
104.			<b>Intimation of Death of Member</b> On the death of a Member, his legal heirs/ legal representative or his employees or any Member/Trading Member receiving information of the death shall immediately communicate this information in writing to the Exchange.
			<b>CLAIMS AGAINST DECEASED MEMBER</b>
105.			<b>Conditions precedent to Right of exercising Nomination</b> When a Member dies, all subscriptions, debts, fines, fees, charges and other monies as shall have been due and payable by him up to the date of death of such Member, either to the Exchange or to the Clearing House / and all the amounts as shall have been determined by the Committee for Settlement of Claims against Defaulters to be due and payable by him to the Settlement Guarantee Fund and all debts, liabilities, obligations and claims arising out of any contracts made by him subject to the Articles, Bye-laws and Regulations of the Exchange, as shall have been due and payable by such Member/Trading Member, or such other amounts or claims as may be determined and admitted by the Governing Board, shall be paid in full to the satisfaction of the Governing Board before his legal heirs / legal representatives are allowed to exercise the right of nomination.
106.			<b>Conditions Precedent /Applicable to Liquidation or Dissolution</b> The provisions of Article 105 shall apply, <i>mutatis mutandis</i> , to a Member/Trading Member , which is a company going into liquidation or dissolution.
107.			<b>Payment of Deceased Member's obligations</b> If the legal heirs / legal representatives of a deceased Member or any other person on his behalf do not or are unable to pay and satisfy his dues, debts, liabilities, obligations and claims as provided in the Articles, Bye-laws and Regulations of the Exchange, the Governing Board or a Committee consisting of the members of the Governing Board or the Executive Director may, in such an event, declare such deceased Member/Trading Member a deemed defaulter and shall exercise the right of nomination in respect of such Membership/Trading Membership and the consideration received therefor shall be applied in the manner provided in these Articles.
108.			<b>Continuance of Deceased Member's Business</b> If, on the death of a Member , his legal heirs / legal representatives desire that his business should be continued for some time for the benefit of the family members of the deceased Member by any specified person who is eligible for Membership/Trading Membership and intimate their desire by a letter to the Executive Director, the Governing Board or the Executive Director, may in its



			or his discretion, permit such business to be carried on by such person on behalf of the legal heirs / legal representatives or heirs for such period not exceeding six months, as may be deemed proper, subject to such terms and conditions relating to fresh commitments involving liabilities, as may be prescribed by the Governing Board / Executive Director.
			<b>ADDITIONAL TERMS IN THE CASE OF A COMPANY</b>
109.			<b>Articles of Association of corporate members</b> The Articles of Association of a Member/Trading Member , which is a company , shall contain such provisions as the Governing Board may from time to time require. The list of shareholders of the company shall be furnished to the Exchange at such intervals as may be specified by the Governing Board from time to time. The shareholders for the time being shall be persons acceptable to the Governing Board.
110.			<b>Shareholding of Directors</b> In case of a Private limited Company or a public limited company the shareholding of designated directors, if any, shall be as per SEBI guidelines.
111.			<b>Alterations in Structure</b> The name, the Memorandum and Articles of Association and the capital and shareholding pattern of such a company shall not be altered without the prior consent of the Governing Board.
112.			A person shall not be appointed a Director of such a company unless the Governing Board convey its approval to such appointment.
113.			<b>Expulsion of Member/Trading Member Company</b> If there is a change in the shareholding of the company, which is not acceptable to the Governing Board, or a person is appointed as a designated director who is not acceptable to the Governing Board, the Governing Board may expel the Member/Trading Member company by a Special Majority resolution..
			<b>REMISIERS</b>
114.			<b>Definition of Remisier</b> A person, who is engaged by a Member/Trading Member primarily to solicit business in securities for a commission, shall be called a remisier.
115.			<b>Remisier not to be another's employee</b> A remisier may be an individual or a firm or a company but must not be in the employment of any individual or firm or company .
116.			<b>Remisier to act for one Member/Trading Member only</b> No person shall be registered as a remisier to more than one Member/Trading Member.
117.			<b>Ex-members as Remisiers</b> A Member/Trading Member may, with the special consent of the Governing Board / Executive Director, employ as his remisier a person who has ceased to be a Member/Trading Member under the Articles, Bye-laws and Regulations of the Exchange.
118.			<b>Remisier Not to engage in Forward Business</b> The Executive Director may refuse permission to a person desirous of working as a remisier unless he gives an undertaking that forthwith on registration as remisier he will cease to engage himself as principal or employee in, and not be directly or indirectly connected with, any other kind of forward business.
119.			<b>Application to employ remisier</b> A Member/Trading Member desirous of employing a remisier shall apply for the permission of the Executive Director in such form as the Governing Board may from time to time prescribe. Such form shall be signed both by the Member/Trading Member and the proposed remisier.
120.			<b>Discharge Certificate</b> An application by a Member/Trading Member to employ a remisier, who previously had been acting as a remisier with another Member/Trading Member, must be accompanied by a discharge certificate from the former employer or employers. Such discharge certificate shall be in such form as the Governing Board may from time to time prescribe and it shall show whether the

			remisier left his former employer or employers clear of all debts and outstanding liabilities and whether his conduct while in that employment was satisfactory.
121.			<b>Absence of Discharge Certificate</b> When a discharge certificate is not attached to an application as required under Article 120 the proposed remisier shall submit an explanation therefor and the Executive Director shall then decide whether and on what conditions the requirement relating to the discharge certificate shall be waived and if there be any dispute between the proposed remisier and his former employer, the Executive Director may refer it to conciliation or arbitration for its adjudication in accordance with the Byelaws and Regulations of the Exchange relating to conciliation and arbitration.
122.			<b>Permission necessary</b> No Member/Trading Member shall employ any remisier without first having such appointment approved by the Executive Director.
123.			<b>Approval or rejection of Application</b> The Executive Director, in his discretion, may approve or reject any application for appointment of a remisier.
124.			<b>Commission Terms</b> A Member/Trading Member shall be entitled to remunerate remisiers with a share not exceeding fifty percent of the brokerage charged to the principals they introduce.
125.			<b>Annual Fee</b> A Member/Trading Member shall be required to pay such annual and other fees and within such time as the Governing Board may prescribe from time to time in respect of remisiers.
126.			<b>Remisier not to sign Contract Notes</b> A remisier shall give the names of his clients in whose name contract notes are to be rendered by the Member/Trading Member for whom the remisier acts. The remisier shall not sign contract notes in his own or any other name nor shall he sign on behalf of his employer.
127.			<b>Remisier not to Advertise</b> A remisier shall not advertise or issue price lists or circulars to any person other than his own clients.
128.			<b>Remisier's personal Business</b> If a remisier does any business on his personal account, he shall not be entitled to any allowance in the brokerage.
129.			<b>Sub-agent</b> If a remisier in whatever circumstances, directly or indirectly, divides or shares his brokerage with his client or sub-agent, his name shall be forthwith removed from the register.
130.			<b>Remisier not to share Brokerage with Clients</b> A Member/Trading Member shall be responsible to ensure that remisiers make no allowance or return of brokerage, directly or indirectly, to the clients they introduce or to any other person or agent.
131.			<b>Refusal to Registration</b> The Executive Director shall have full power to refuse registration to any remisier without assigning any reason.
132.			<b>Suspension</b> The Executive Director may, in his absolute discretion, suspend at any time the registration of a remisier without assigning any reason.
133.			<b>Cancellation of Remisier's registration</b> The Executive Director may, on sufficient reason, at any time, cancel the registration of a remisier whereupon the Member/Trading Member shall forthwith discontinue the employment of the remisier concerned and the name of the remisier concerned shall consequently be removed from the Register of Remisiers.
134.			<b>Member/Trading Member to intimate termination of Remisier's employment</b> Each Member/Trading Member shall give prompt notice to the Exchange of the

			termination of the employment of a remisier.
135.			<b>Register of Remisiers</b> A register of remisiers shall be maintained under the authority of the Executive Director in which shall be entered the names of all remisiers together with the dates of their appointment and discharge and the names of the members employing them.
136.			<b>Inspection of Register</b> The register shall not be open to inspection generally.
			<b>APPROVED USERS</b>
137.			<b>Appointment of Approved Users</b> A Member/Trading Member carrying on business on the Exchange shall be entitled to appoint persons who are in his own exclusive employment or are his sub-brokers registered with SEBI as approved users for operating the trader work stations connected with the automated trading system of the Exchange and entering orders in such system/segment on behalf of such Member/Trading Member.
138.			<b>Number of Trader Work Stations</b> The Governing Board shall determine from time to time the number of Trader Work Stations that may be provided to a Member/Trading Member and the number of approved users a Member/Trading Member shall be entitled to employ.
139.			<b>Minor Ineligible</b> No person shall be admitted as an approved user who is under eighteen years of age.
140.			<b>Defaulter or Expelled Member/Trading Member Ineligible</b> No Member/Trading Member shall take into, or continue in, his employment as an approved user, a Member/Trading Member who has been declared a defaulter or has been expelled.
141.			<b>Suspended Member/Trading Member Ineligible</b> No Member/Trading Member shall, take into, or continue in his employment as an approved user, a Member/Trading Member who is under suspension.
142.			<b>Permission of Executive Director Necessary</b> No Member/Trading Member shall employ an approved user without first having such appointment approved by the Executive Director.
143.			<b>Common Applicability of Provisions</b> The provisions in relation to application, discharge certificate, absence of discharge certificate, approval of appointment, approval or rejection of appointment, Commission terms, Annual fees, not to enter into transactions, not to sign contract notes, not to advertise, refusal to registration, suspension, cancellation, termination, register and inspection of register, as are applicable in case of remisiers, shall be applicable, <i>mutatis mutandis</i> , to approved users.
			<b>SUB-BROKERS</b>
144.			<b>Appointment of Sub-brokers</b> A Member/Trading Member may, with the prior permission of the Executive Director of the Exchange, appoint as many sub-brokers as he desires.
145.			<b>Compliance With the Provisions</b> A Member/Trading Member appointing a sub-broker shall ensure that the sub-broker so appointed complies with the various provisions of SEBI (Stock Brokers and Sub-Brokers) Rules and Regulations, 1992 and the various directives, orders, guidelines, norms and circulars of SEBI and the Exchange that may be in force from time to time.
146.			<b>Non-compliance of Requirements</b> If a sub-broker appointed by a Member/Trading Member is found to be violating the provisions of Article 145, the Member/Trading Member shall render himself liable for disciplinary action.
147.			<b>Common Applicability of Provisions</b> The provisions in relation to application, approval of appointment, approval or rejection of appointment, commission terms, annual fee, not to sign contract

			notes, suspension, refusal to registration, cancellation, termination, register and inspection of registers, as are applicable in case of remisiers, shall be applicable, <i>mutatis mutandis</i> , to subbrokers
			<b>CHAPTER - V</b>
			<b>BUSINESS NAME ,</b>
148.			Any Member desirous of carrying on business under a name and style different from his own name shall apply to the Governing Board for permission to do so.
149.			The Governing Board may refuse permission to a Member/Trading Member to carry on business under a business name and style which is considered misleading.
150.			Every Member/Trading Member carrying on business under a business name as aforesaid shall set out on all correspondence and all contract notes, in addition to the business name the name of the Member/Trading Member who is the sole proprietor thereof.
151.			When any Member/Trading Member has obtained permission of the Governing Board to carry on business under a business name and style, the particulars thereof shall be entered in the register of business names which will be maintained by the Exchange.
			<b>NOMINATION, TRANSFER, TRANSMISSION AND DECLARATION OF DEFAULTER</b>
152.			<b>Nomination by Member/Trading Member</b> Subject to the provisions of these Articles, a Member/Trading Member shall have a right of nomination which shall be personal and non-transferable.
153.			Every Member/Trading Member may nominate in writing the person or persons who would be entitled to succeed to the share or shares including shares of The Calcutta Stock Exchange Association Ltd., security deposits and all kinds of margin of the nominating Member/Trading Member in the event of his death. In the event of more than one person being nominated as the nominees of the Member/Trading Member, the order of preference must be clearly indicated in the instrument of nomination, failing which the Governing Board would have absolute discretion to choose amongst the nominees in whose favour the shares will be mutated. A Member/Trading Member will be entitled to alter his nomination during his lifetime, but with intimation to the Exchange to be given within 60 days of such nomination and in default the alteration will not have any effect and will not be binding on the Exchange. Such nomination and alteration can be made also by Registered Will, in which event, the nomination will be operative only upon the death of the Member/Trading Member. In the event of nomination or alterations being made by an Unregistered Will, the same will be operative only upon a Probate from a court of competent jurisdiction being obtained or if the Exchange in its discretion accepts such nomination or alteration without such Probate. If any alteration in the nomination is made by Will, a copy of the Will duly certified by a Notary Public is to be delivered to the Exchange against acknowledgment to make such alteration binding on the Exchange. The Governing Board has the absolute right to accept/or not to accept the nomination.
154.			<b>Standing of Minimum Years</b> A Member/Trading Member of less than three years' standing may resign and exercise his right of nomination in favour of a company with the sanction of the Governing Board on the following conditions:
154.	i)		He shall be a director of such company for a period of such number of years as would have brought him three years' standing had he not resigned from the Membership/Trading Membership.
154.	ii)		He, along with his family members, shall hold not less than fifty one per cent of the paid up equity capital of the company for the period mentioned in Article

154.	iii)		154(i). The company is eligible for Membership/Trading Membership in accordance with Article 11(ii).
154.	iv)		If a Composite Member/Trading Member desires to resign from its Component Memberships/Trading Memberships, the Composite Member/Trading Member may, in accordance with and subject to other provisions of the Articles, Bye-laws and Regulations of the Exchange and such conditions as the Governing Board may from time to time stipulate, nominate a person/s eligible under these Articles as a candidate / candidates for admission to the Membership/Trading Membership of the Exchange from which the Composite Member/Trading Member is resigning, and the Composite Member/Trading Member may continue in respect of the remaining Component Memberships/Trading Memberships, if any.
155.	i)	<b>Nomination in Case of Defaulter / Deemed Defaulter</b>	On the death of a Member/Trading Member or declaration of a defaulter or a deemed defaulter of a Member/Trading Member, his right of Membership/Trading Membership shall <i>ipso facto</i> cease and vest in the Exchange, and his right of nomination shall be exercised as provided here-under: The right of nomination, in respect of the forfeited right of Membership/Trading Membership of a defaulter / deemed defaulter vested in the Exchange, shall be exercisable by the Governing Board and such right shall not be restorable to the defaulter and / or to legal heirs/legal representatives of a deemed defaulter at any time and under any circumstances.
155.	ii)	<b>Right of Nomination Not to be Exercised by former Member/Trading Member /Expelled Member/Trading Member</b>	The right of nomination shall not be exercised by a former Member/Trading Member who has been expelled or who has ceased to be a Member/Trading Member under any Article, Bye-law or Regulation of the Exchange for the time being in force.
156.		<b>Right of Nomination in Case of Death</b>	Subject to the provisions of Article 153 hereinabove, in case of death of a Member, his legal heirs/legal representatives shall have the right of nomination which shall be personal and non-transferable and which shall be required to be exercised within a period not exceeding two years from the date of death of a Member. In case where the legal heirs/legal representatives fail to exercise the right within the aforesaid period, such right shall be deemed to have vested in the Exchange. The Exchange shall dispose of such right within a period of one year of such right vesting in the Exchange in the same manner as provided in case of the right vesting in the Exchange on account of declaration of a defaulter/deemed defaulter.
157.			<b>Nomination in Case of Deceased Member</b> The legal heirs/legal representatives of a deceased Member may, with the sanction of the Governing Board, nominate any person eligible under the Articles, Bye-laws and Regulations of the Exchange for admission to Membership/Trading Membership of the Exchange, as a candidate for admission in the place of the deceased Member.
			<b>FORFEITURE AND RE-ISSUE OF SHARES</b>
158.			Upon a member ceasing to be a Member/Trading Member under the provisions of these Articles or upon any resolution being passed by the Governing Board expelling the Member/Trading member under the provisions of these Articles hereof or upon any Member/Trading member being adjudicated insolvent or upon any Member/Trading Member being a Company or Financial Corporation being wound up compulsorily or voluntarily being

			dissolved, the share held by such Member/Trading Member shall <i>ipso facto</i> be forfeited.
159.			<b>Exchange's Right to Forfeit Shares</b> When any Member/Trading Member shall have ceased to be Member/Trading Member under the provisions of these Articles or shall have been expelled under these Articles and his share thereby has become forfeited, notice of the resolution shall be given to the Member/Trading Member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture with the date thereof, shall forthwith be made in the register, but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make such entry as aforesaid.
160.			<b>Forfeited share to be Exchange's property</b> Any share so forfeited shall be deemed to be the property of the Exchange, and the Governing Board shall sell, re-allot, and otherwise dispose of the same in such manner to the best advantage for the satisfaction of all debts which may then be due and owing either to the Exchange or any of its Members/Trading Members arising out of transactions or dealings in stocks and shares.
161.			<b>Member/Trading Member's liability to remain unimpaired despite forfeiture of share</b> Any Member/Trading Member whose share has been so forfeited shall notwithstanding be liable to pay and shall forth-with pay to the Exchange all moneys owing by the Member/Trading Member to the Exchange at the time of the forfeiture together with interest thereon, from the time of forfeiture until payment at 12 per cent per annum, and the Governing Board may enforce the payment thereof, without any deduction or allowance for the value of the share at the time of forfeiture.
162.			<b>Forfeiture to result in elimination of all interest</b> The forfeiture of a share shall involve the extinction of all interest in and also of all claims and demands against the Exchange in respect of the share, and all other rights incidental to the share, except only such of those rights as by these Articles expressly saved.
163.			<b>Declaration to be furnished upon forfeiture of share</b> A duly verified declaration in writing that the declarant is a Member/Trading Member of the Governing Board of the Exchange, and that a certain share in the Exchange has been duly forfeited on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share and such declaration, and the receipt of the Exchange for the consideration, if any, given for the share on the sale or disposition thereof shall constitute a good title to such share, and the person to whom the share is sold shall be registered as the holder of such share and shall not be bound to see to the application of the purchase money, nor shall his title to such share be affected by any irregularity or invalidity in the proceedings in reference to such forfeiture, sale or disposition.
164.			<b>Exchanges lien upon share</b> The Exchange shall have a first and paramount lien upon the share registered in the name of each Member/Trading Member and upon the proceeds of sale thereof for his debts, liabilities and engagements, solely or jointly with any other person to or with the Exchange whether the period for the payment, fulfilment, or discharge thereof shall have actually arrived or not, and no equitable interest in any share shall be created except upon the footing and condition that Article 31 hereof is to have full effect, and such lien shall extend to all payments out of profits from time to time declared in respect of such share. Unless otherwise agreed the registration of a transfer of shares shall operate as a waiver of the Exchange's lien, if any, on such share.
165.			For the purpose of enforcing such lien the Exchange may sell the share subject thereto such manner as they think fit, but no sale shall be made until such period as aforesaid shall have arrived and until notice in writing of the intention to sell, shall have been served on such Member/Trading Member, his executors or administrators or other legal curator, and default shall have been made by him or them in the payment or discharge of such debts, liabilities or engagements for seven days after such notice.

166.			The net proceeds of any such sale shall be applied in or toward satisfaction of the debts, liabilities, or engagements, and the residue (if any) paid to such Member/Trading Member, his executors, administrators committee, curator or other representatives.
167.			Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Governing Board may cause the purchaser's name to be entered in the register in respect of the shares sold, and the purchaser shall not be bound to see to the regularity of the proceedings, nor to the application of the purchase money, and after his name has been entered in the register in respect of such shares the validity of the sale not be impeached by any person and the remedy of any person aggrieved by the sale be in damages only and against the Exchange exclusively.
			<b>ADMISSION OF MEMBERS</b>
168.			A Member/Trading Member elected by the Governing Board as eligible for admission shall as a condition precedent to his registration as a Member/Trading Member, acquire and submit to the Governing Board an application for election as a Member/Trading Member and for registration of at least one share certificate in the Exchange together with a duly stamped and executed transfer deed in his favour.
169.			<b>By Individual</b> An application by an individual seeking admission as a Member/Trading Member shall be in the form as may be prescribed by the Governing Board from time to time.
170.			<b>By Company</b> An application by a company registered under section 12 or section 322 of the Companies Act, 1956 seeking admission as a Member/Trading Member shall be in the form as may be prescribed by the Governing Board from time to time.
171.			<b>By Partnership Firm</b> The Member/Trading Member desirous of carrying on business in partnership or admitting a new partner or partners, shall apply for permission to the Governing Board giving the names of the partnership firm in the form as may be prescribed by the Governing Board from time to time.
172.			<b>Application for permission</b> Every application for permission shall be accompanied by such information in connection therewith as may be required by the Governing Board and by a copy of the proposed deed of partnership. Thereupon, the Governing Board may approve the partnership and when the partnership is entered into a signed copy the deed of partnership, shall be delivered to the Exchange for the purpose of record.
173.			Every Application for election must be proposed and seconded by Members/Trading Members of the Exchange in a letter or letters addressed to the Secretary and signed by the proposer and by the seconder and such letter or letters shall state the names in full of the candidate with address of the candidate and must be accompanied with the prescribed form of application.
174.			On receipt of every such application, the Secretary shall notify the same through the automated trading system and on the notice Board of the Exchange for 7 days at least before the Application is brought before the Governing Board for consideration, during which period any objection to the candidate may be communicated in writing by any Member/Trading Member to the Secretary for the information of the Governing Board. All such communication shall be treated as strictly private and confidential.
175.			In case of a company such form shall be signed by at least two Directors of such company (such directors to be shareholders of the Company) and in case of a Financial Corporation by at least two Directors, one of whom shall be the Managing Director or Executive Director where such Financial Corporation has a Managing Director or an Executive Director, as the case may be. The application shall be accompanied by a copy of the resolution passed by the Board of Directors of the company/ Financial Corporation and duly certified as

			true by the Chairman, if any, or by a Whole-time Director of the Company or Financial corporation.
176.			<b>Objections</b> The Member/Trading Member and / or any person intending to object to the admission of the candidate shall communicate the grounds of his objection to the Executive Director by letter within fourteen days of publishing of the notice of the application for admission as Member/Trading Member. Any such communication shall be deemed privileged and confidential.
177.			<b>Member/Trading Member's Duty to Report</b> It shall be deemed to be incumbent on any Member/Trading Member, who may know or who shall have received credible information of any fact or circumstance relating to such candidate or relating to his conduct or character or financial / commercial dealings which may render such candidate disqualified or unfit to be a Member/Trading Member, to report to the Executive Director. Any such report shall be deemed privileged and confidential.
178.			<b>Dues and Claims</b> The Governing Board shall not approve a nomination unless the nominating member/Trading Member, and in case of a deceased member, his legal heirs, legal representatives or the person/s in whose favour the nomination has been made, shall have paid and satisfied the dues in full.
179.			<b>Consideration of Application</b> All objections received against an application upto the prescribed period shall be placed before the Membership Selection Committee / Governing Board, along with a report thereon.
180.			<b>Inquiry</b> A candidate for admission and his recommending Member/Trading Member shall, if required by the Governing Board, appear personally before any meeting of the Membership Selection Committee / Governing Board and shall answer all questions, which may be put to them.
181.			<b>Admission of new Members/Trading Members</b> Selection of new Members/Trading Members shall be done by a Membership Selection Committee nominated by the Governing Board. The Committee shall consist of such number of persons as may be decided subject however, to the ratio of 40:60 between persons who are members of the stock exchange and persons who are not members of the stock exchange being maintained. The Membership Selection Committee shall follow the procedure as may be prescribed by the Governing Board from time to time for selection of new Members/Trading Members and where the candidate has attained the requisite marks, in accordance with the guidelines prescribed in that regard, the Governing Board shall normally accord its approval to admission and where the Governing Board is of the considered opinion that it is not desirable in the interest of trade and business to admit such person as a Member/Trading Member, it shall record its reasons, in writing, for rejection of such candidate for admission and shall cause intimation to that effect being sent to the applicant within seven calendar days from the date of the meeting where such decision is taken.
182.			<b>Admission Under Misrepresentation</b> The Governing Board may expel a Member/Trading Member, if in its opinion to be recorded in writing, such Member/Trading Member has in or at the time of his application for admission to Membership/Trading Membership or during the course of the inquiry made by the Governing Board preceding his admission –
182.	i)		made any wilful misrepresentation; or
182.	ii)		suppressed / concealed any material information required of him as to his financial position, including financial liabilities, character and antecedents, or
182.	iii)		has directly or indirectly given false particulars or information or made a false



			declaration.
183.			<b>Fresh Nomination</b> If a nominee be not eligible under the Articles of the Exchange or if a nominee be rejected by the Governing Board, a fresh nomination or nominations may be submitted to the Exchange, until a nominee is admitted as a Member/Trading Member .
184.			<b>Payment of Entrance and Admission Fees and Annual Subscription</b> A new Member/Trading Member on admission shall not be entitled to exercise any of the rights or privileges of membership until he shall have paid in full the entrance fee, if any, applicable, and / or the admission fee and the annual subscription for the year of admission. Where such Member/Trading Member fails to make such payment within 15 days of receipt of the intimation of his admission, his admission shall be deemed to have been cancelled ab initio and he shall be deemed never to have been admitted as a Member/Trading Member.
185.			<b>Intimation Letter for Election/Selection</b> When a new Member/Trading Member is elected/selected, intimation of his election/selection shall be sent to him in the form as may be prescribed by the Governing Board from time to time .
186.			<b>Certificate of Admission to Membership/Trading Membership</b> On due payment of requisite fees, subscription, base minimum capital and such other amounts as may be prescribed by the Governing Board from time to time and on compliance with all the requirements necessary before commencement of trading activity, including adequate facilities in back office, a certificate of admission to Membership/Trading Membership shall be issued to the new Member/Trading Member in the form as may be prescribed by the Governing Board from time to time together with the intimation of the date from which he shall enjoy the rights and privileges and be subject to all the duties, liabilities and obligations of a Member/Trading Member of the Exchange.
187.			<b>Publication of Notice</b> When a Member/Trading Member is admitted and a certificate of admission as provided in Article 186 above is issued to the Member/Trading Member, notice of such admission shall be published on the notice board of the Exchange and also notified by way of broadcast through the automated trading system to the Members/Trading Members of the Exchange.
			<b>DECLARATION OF DEFAULTER</b>
188.			<b>Declaration of Defaulter</b> A Member/Trading Member shall be declared a defaulter by direction of the Governing Board, where the monies, securities and bank guarantees deposited with the Exchange / Clearing House are not adequate to discharge the Member/Trading Member's obligations and liabilities and more than a period of three months has passed since these obligations / liabilities are pending and/or on happening of any one or more of the following reasons -
188.	i)		if he is unable to fulfil his engagements or obligations; or
188.	ii)		if he admits or discloses his inability to fulfil or discharge his engagements, obligations or liabilities; or
188.	iii)		if he fails or is unable to pay within the specified time the damages and the money difference due on a closing out effected against him under the Bye-laws / Regulations of the Exchange ; or
188.	iv)		if he fails to pay any sum due to the Clearing House or to deliver to the Clearing House any security on the due date; or
188.	v)		if he fails to pay / reimburse to the Settlement Guarantee Fund of the Exchange / Clearing House in respect of the amount used from it for the purpose of fulfilling settlement obligations on his behalf ; or

188.	vi)		if he fails to pay or deliver such money and / or securities arising out of an award given by the Arbitrator under the Arbitration proceedings provided in the Bye-laws & Regulations of the Exchange; or
188.	vii)		if he fails to pay or deliver such money and/or securities arising out of a transaction executed on the Exchange, provided such obligation is not disputed by the Member/Trading Member; or
188.	viii)		if he fails to pay or deliver to the Committee for Settlement of Claims Against Defaulters all monies, securities and other assets due to a Member/Trading Member who has been declared a defaulter within such time as the said Committee may decide.
189.			<b>Declaration of Deemed Defaulter</b> A Member/Trading Member shall be declared a deemed defaulter by direction of the Governing Board, if the legal heirs / legal representatives of a deceased Member/Trading Member or any other person on his behalf do not or are unable to pay and satisfy his dues debts, liabilities, obligations and claims as provided in the Articles, Bye-laws and Regulations of the Exchange .
190.			<b>Declaration of Defaulter Automatically</b> A Member/Trading Member , who has been adjudicated an insolvent or is declared a defaulter / deemed defaulter by any other stock exchange or if he falls within the definition of an “associate” in relation to a stock broker who is declared a defaulter by any other stock exchange or if any Member/Trading Member of the Exchange having multiple Membership/Trading Membership is declared a defaulter / deemed defaulter by any other stock exchange, shall <i>ipso facto</i> be declared a defaulter, on receipt of written communication or a public notice appearing in any of the daily newspapers stating the name of a Member/Trading Member having been declared a defaulter / adjudicated an insolvent, by direction of the Governing Board, although he may not at the same time be a defaulter on the Exchange.  EXPLANATION: The criteria stipulated in the definition of multiple Membership/Trading Membership as given in Article 1(y) shall be followed for determination of multiple Membership/Trading Membership, for the purpose of invoking provisions of automatic declaration of defaulter / deemed defaulter.
191.			<b>Member/Trading Member’s Duty to inform</b> A Member/Trading Member shall be bound to notify the Exchange immediately if there be a failure by any Member/Trading Member to discharge his liabilities in full.
192.			<b>Compromise Forbidden</b> A Member/Trading Member guilty of accepting from any Member/Trading Member anything less than a full and bonafide payment in settlement of a debt arising out of a transaction in securities shall be suspended for such period as the Governing Board may determine.
193.			<b>Post-Declaration of Defaulter Process</b> On a Member/Trading Member being declared a defaulter, a notice to that effect shall be posted forthwith on the notice board of the Exchange, and the Exchange which has declared a defaulter shall intimate in writing to all the other stock exchanges and SEBI together with details of shareholding pattern where the defaulter was a corporate Member/Trading Member. The Exchange shall place such details on their respective websites.
194.			<b>Defaulter’s Books and Documents</b> When a Member/Trading Member has been declared a defaulter, the Committee for Settlement of Claims Against Defaulters shall take charge of all his accounting records both in hard and soft forms to ascertain the state of his affairs and the defaulter shall hand them over to the Committee for Settlement of Claims Against Defaulters.
195.			<b>List of Debtors and Creditors</b> The defaulter shall file with the Committee for Settlement of Claims Against Defaulters, within such time of the declaration of his default as the Governing

			Board or the Executive Director may direct by a written statement containing a complete list of his debtors and creditors and the sum owing by and to each.
196.			<b>Defaulter to Give Information</b> The defaulter shall submit to the Committee for Settlement of Claims against Defaulter such statement of accounts, information and particulars of his affairs as the Committee may from time to time require and if the Committee so desires, the defaulter shall appear before the Committee at its meeting in connection with his default.
197.			<b>Assets to Vest in the Committee and Procedure to be Applicable</b> <i>Ipsa facto</i> on declaration of a defaulter/ deemed defaulter / defaulter automatically as provided hereinabove, all monies, securities, bank guarantees lying with the Exchange / Clearing House in respect of a defaulter shall vest in the Committee for Settlement of Claims Against Defaulters for the benefit of and on account of any dues of the Exchange, Clearing House, SEBI, other Members/Trading Members, constituents and registered sub-brokers of the defaulter and the other creditors as may be approved by the Committee for Settlement of Claims Against Defaulters.
			<b>CONSEQUENCES OF DECLARATION OF DEFAULTER</b>
198.			<b>Cessation of Membership/Trading Membership</b> A Member/Trading Member who is declared a defaulter/deemed defaulter and suspended by reason of his failure to fulfil any engagement between himself and any other Member(s)/Trading Member(s) and who fails to fulfil such engagement shall at the expiration of such period of three months automatically cease to be a Member/Trading Member of the Exchange. But the rights of his creditors arising out of or incidental to the transactions against him shall remain unimpaired.
199.			<b>Lapse of Membership/Trading Membership Right</b> A Member/Trading Member's right of Membership/Trading Membership shall lapse or forfeit to and vest in the Exchange <i>ipso facto</i> upon such Member/Trading Member being declared a defaulter/deemed defaulter.
200.			Without prejudice to the foregoing if a Member/Trading Member is either expelled or declared a defaulter by any other recognised Stock exchange on which he is a Member/Trading Member or if the registration certificate is cancelled by SEBI, the said Member/Trading Member shall be expelled from the Exchange.
201.			<b>Full Payment - a Condition of Eligibility for Re-admission</b> A defaulter shall not be eligible for re-admission unless, within such time as may be specified by the Governing Board, he has made full payment of all amounts payable by him to the Exchange, to the Clearing House or to the Settlement Guarantee Fund and also of all amounts payable by him to SEBI and all other creditors (whether they be Members/Trading Members of the Exchange or not) arising out of, or in connection with and / or incidental to the contracts made subject to the Articles, Bye-laws and Regulations of the Exchange for which the decision of the Committee for Settlement of Claims Against Defaulters shall be final and binding; PROVIDED that where a claim of a creditor other than the Exchange, the Clearing House or the Settlement Guarantee Fund is the subject matter of an arbitration proceeding under the Articles, Bye-laws and Regulations of the Exchange which is pending, the Governing Board may, in its discretion, consider the defaulter to be eligible for readmission if he deposits with the Exchange a sum equal to the amount of such disputed claim. The sum so deposited shall be paid to the claimant to the extent of which the arbitration award is in favour of the claimant and the balance may be refunded to the defaulter, if there is no other liability.
202.			<b>Defaulter when not to be re-admitted</b> A defaulter shall not be readmitted if his default has been contributed to by reckless dealings on his own account or if his conduct has been marked by indiscretion and by the absence of reasonable caution.
203.			<b>Re-admitted Defaulter ineligible for holding positions</b>

			A Member/Trading Member who has been declared a defaulter at any time shall not be eligible to be elected a member of the Governing Board or of any standing or other committee or as an office-bearer of the Exchange.
204.			<p><b>Defaulter Provisions applicable to Company</b>  The provisions of these Articles regarding declaration of defaulter shall apply, <i>mutatis mutandis</i>, to a Member/Trading Member being a company .  PROVIDED that re-admission of a defaulter which is a company shall be subject to such other conditions which the Governing Board may, in its absolute discretion, impose and communicate to the defaulter;</p> <p>PROVIDED further that default by a Member/Trading Member being a company shall be deemed to be the default of all its Directors and the provisions of these Articles relating to a defaulter shall also apply to all such Directors and the company.</p>
205.			<p><b>Exercise of Right of Re-issue by the Governing Board where Right of Membership/Trading Membership vests in the Exchange</b>  The Governing Board shall exercise the right of re-issue in respect of the Membership/Trading Membership vesting in the Exchange in terms of Article 160 herein.</p>
206.			<p><b>Apportionment of Consideration Realised / Other Realisation of Receivables</b>  The consideration received against disposal of the Membership/Trading Membership right vesting in the Exchange shall be merged with the security deposit or base minimum capital, and any other securities /monies lying to the credit of the Member/Trading Member prior to declaration of a defaulter/deemed defaulter, together with any realisation that may have been made by the Committee for Settlement of Claims Against Defaulters, and shall be applied to the following purposes and in the following order of priority:</p>
206.	i)	<b>Dues of the Exchange/Clearing House/ SEBI</b>	<b>First</b> - payment of such subscriptions, debts, fines, fees, charges and other moneys due to the Exchange, Clearing House, Settlement Guarantee Fund and SEBI by the Member/Trading Member prior to declaration of such Member/Trading Member a defaulter / deemed defaulter on a pro-rata basis.
206.	ii)	<b>Liabilities Relating to Contracts</b>	<b>Second</b> – payment of such debts, liabilities, obligations and claims arising out of any contract made by such Member/Trading Member, prior to declaration of defaulter/deemed defaulter subject to the Articles, Bye-laws and Regulations of the Exchange, as shall have been admitted by the Committee for Settlement of Claims Against Defaulters. If the amount available be insufficient to pay and satisfy all such debts, liabilities, obligations and claims in full, they shall be paid and satisfied pro rata.

206.	iii)		<p><b>BALANCE</b></p> <p><b>First</b> - payment of the surplus, if any, to meet with any claims, which are found to be genuine and admitted by the Committee for Settlement of Claims Against Defaulters, not strictly arising on account of a transaction on the Exchange but incidental to such transaction, like issue of bank guarantee to such Member/Trading Member by an approved banker of the Exchange/Clearing House.</p> <p><b>Second</b> - claims of sub-brokers arising out of deposit of securities and/or cash deposits given in terms of the agreement executed between such Member/Trading Member and the sub-brokers, provided such sub-brokers have obtained registration from SEBI through the Exchange.</p> <p><b>Third</b> - any other genuine claims against the defaulter/deemed defaulter payable either arising out of or incidental to the transaction done on the Exchange, but excluding loan transactions. If the balance amount available were insufficient to pay and satisfy all such claims in full, they shall be paid and satisfied pro rata.</p> <p><b>Fourth</b> – Any liability determined by any authority recognised by the Central Government and/or State Government under any law.</p>
206.	iv)	<b>Apportionment in Case of Defaulter / Deemed Defaulter in Relation to Multiple Membership/ Trading Membership</b>	<p>Apportionment of assets in case of defaulter / deemed defaulter in relation to multiple Membership/Trading Membership vested in the Exchange shall be done strictly stock exchange-wise against the claims received by the respective stock exchanges. If, however, there is a surplus after application of the assets at any one or more stock exchange/s, such surplus amount shall be available for distribution on a pro-rata basis against shortages in claims admitted by the Committee for Settlement of Claims Against Defaulters of the respective stock exchange/s. The stock exchange, where the Member/Trading Member is first declared a defaulter / deemed defaulter, shall administer distribution of net surplus for satisfying the shortages in claims admitted by the Committee for Settlement of Claims Against Defaulters of the respective stock exchange/s and the concerned stock exchange/s shall proceed by either transferring the surplus amount or by forwarding the claims, admitted by the Committee for Settlement of Claims Against Defaulters of the respective stock exchange/s giving effect to the provision contained above, enabling the first stock exchange to administer distribution of the assets as stipulated herein.</p>
206.	v)	<b>Surplus</b>	<p>Payment of the surplus, if any, to the Member/Trading Member and in a case where the Member/Trading Member has expired, to his legal heirs/legal representatives.</p>
			<b>TRANSFER AND TRANSMISSION OF SHARES</b>
207.			<p><b>Instrument of transfer to be signed both by transferor and transferee</b></p> <p>The instrument of transfer of any share shall be signed both by the transferor and transferee and shall contain the name and address both of the transferor and transferee, and the transferor shall be deemed to remain the holder of such share until the name of the transferee is entered in the registrar in respect thereof. Each signature to such transfer shall be duly attested by the signature of one credible witness who shall add his address.</p>
208.			<p><b>Use of share transfer form</b></p> <p>The instrument of transfer of any share shall be in writing in the usual form and the consideration amount for transfer of any share payable by the transferee to the transferor shall be routed through the Exchange only and the Exchange shall have the first and paramount lien upon the consideration amount towards the payment of such subscription, debts, fines, fees, charges and other monies due to the Exchange by the Member/Trading Member who is a transferor to such share.</p>

209.			<p><b>Transfer at the discretion of the Governing Board</b>  The Governing Board shall not register any transfer of shares to any person other than a Member/Trading Member or a candidate for Membership/Trading Membership who has been duly elected as eligible for Membership/Trading Membership under the provisions of these Articles and has paid the full amount of any entrance fee/ charges and or such other sum as may be prescribed by the Governing Board from time to time and the Governing Board may refuse to register any transfer of shares to an existing Member/Trading Member or may impose such conditions in respect of any such last mentioned transfer as they may deem fit.</p>
210.			<p><b>Conditions precedent to transfer of shares</b>  Every instrument of transfer shall be left at the office for registration accompanied by the certificate of the share/s to be transferred, and such other evidence as the Governing Board may require to prove the title of the transferor or his right to transfer the shares, and upon payment of the proper fee the transferee shall (subject to the Governing Board 's right to decline to register hereinbefore mentioned) be registered as a Member/Trading Member in respect of such shares. The Governing Board may waive the production of any certificate upon evidence satisfactory to them of its loss or destruction and on compliance of procedural formalities for issuance of duplicate shares to the satisfaction of the Governing Board.</p>
211.			<p>All instruments of transfer which shall be registered shall be retained by the Exchange but any instrument of transfer which the Governing Board may decline to register shall be returned to the person depositing the same.</p>
212.			<p><b>Closure of Register of Members</b>  On giving not less than seven days' previous notice by advertisement in some Newspaper circulating in the district in which the registered office of the Exchange is situated, the Transfer Books and Register of Members may be closed during such time, as the Governing Board may think fit, not exceeding in the whole 45 days in each year, but not exceeding 30 days at a time.</p>
213.			<p><b>Legal heir to be entered as Member/Trading Member on the satisfaction of the Governing Board</b>  The Executors or Administrators of a deceased Member/Trading Member or such person or persons as the Governing Board may in their absolute discretion be prepared to recognise as the legal heirs of such deceased Member/Trading Member shall be the only persons recognised by the Exchange as having any title to the shares registered in the name of such Member/Trading Member.</p> <p>Before recognising any Executor or Administrator, the Governing Board may require him to obtain a Grant of Probate or Letter of Administration as the case may be from some competent court having effect in Kolkata and the Governing Board shall have absolute discretion as to the evidence they may require to be produced recognising the legal heirs of any Member/Trading Member and in any case in which they maybe dissatisfied with the evidence adduced, the Governing Board may insist on the party or parties claiming procuring Letters of Administration before recognising them as having any title to the shares of the deceased Member/Trading Member.</p>
214.			<p><b>Nomination at the discretion of the Governing Board</b>  Notwithstanding anything to the contrary contained in any preceding provisions of these Articles, the Exchange and its Governing Board shall, in their absolute discretion, recognise any person or persons as the nominee of a deceased Member/Trading Member .</p>
			<p><b>BORROWING POWERS</b></p>
215.			<p><b>Sanction of the General Meeting</b>  The Governing Board may from time to time with the sanction of the Exchange in General Meeting raise or borrow and may themselves lend and secure the payment of any sum or sums of money for the purposes of the Exchange.</p>
216.			<p><b>Secure the Payment / Repayment</b>  The Governing Board may with the like sanction raise or secure the payment or</p>

			repayment of such sum or sums in such manner and upon such terms and conditions in all respects as they think fit and in particular by the issue of debentures or debenture-stock of the Exchange charged upon all or any part of the property of the Exchange both present and future.
217.			<b>Assignable free</b> Debentures, debenture-stock and other securities may be made assignable free from any equities between the Exchange and the person to whom the same may be issued.
218.			Any debentures, debenture-stock, bonds and other securities may be issued at a discount, premium or otherwise and with any special privileges as to redemption, surrender and drawings.
219.			<b>Register of Mortgages and charges to be kept</b> The Governing Board shall cause a proper Register to be kept in accordance with Section 143 of the Companies Act, 1956, of all mortgages and charges specially affecting the property of the Exchange and shall duly comply with the requirements of Section 125 of the said Act, in regard to the registration of mortgages and charges therein specified and otherwise and shall also duly comply with the requirements of Section 136 of the said Act as to keeping a copy of every instrument creating any mortgage or charge by the Exchange at the office.
220.			<b>Closure of Register of Debenture holders</b> On giving not less than seven days' previous notice by advertisement in some newspaper circulating in the district in which the registered office of the Exchange is situated, the Register of Debenture holders may be closed during such time, as the Governing Board may think fit, not exceeding in the whole forty-five days in each year, but not exceeding thirty days at a time. Subject as aforesaid every such Register shall be open to the inspection of the registered holder of any such debentures and of any Member/Trading Member; but the Exchange may in General Meeting impose any reasonable restrictions so that at least two hours in each day when such Register is open, are appointed for inspection.
221.			<b>Inspection</b> The Exchange shall comply with the provisions of Section 144 of the Companies Act, 1956, as to allowing inspection of copies kept at the office in pursuance of Section 136 of the said Act, and as to allowing inspection of the register of mortgages to be kept at the office in pursuance of section 143 of the said Act.
222.			<b>Providing copy of Register of debenture-holders</b> The Exchange shall comply with the provisions of Section 118 of the Companies Act, 1956, as to supplying copies of any Register of holders of debentures or any trust deed for securing any issue of debentures.
223.			<b>Debenture-holders' Right to receive Balance Sheet</b> Holders of debentures shall have same right to receive and inspect the Balance Sheets of the Exchange and the reports of the Auditors and other reports as are possessed by members of the Exchange.
			<b>CHAPTER - VI</b>
			<b>FUNCTIONARIES</b>
224.			<b>General Body of members</b> The members of the Exchange, who are subscribers to the Memorandum of the Exchange or who have been admitted any time thereafter as members, shall constitute the general body of Members of the Exchange .
225.			<b>Governing Board</b> There shall be a Governing Board of the Exchange for overall management of the affairs of the Exchange and for discharging functions assigned to it by or under the Articles and it shall consist of:
225.	i)		not more than nine members elected by the general body of Members of the Exchange under the provisions of these Articles;

225.	ii)		not more than three persons nominated by SEBI as its nominees under the provision of Article 308 ;
225.	iii)		not more than six persons nominated as Public Representatives in terms of Article 299;
225.	iv)		an Executive Director appointed in terms of Article 312;
226.			<b>Authorised by Resolution</b> A director of the Company(which is a Member/Trading Member of the exchange and the Director is also a shareholder of that company) or an officer of the Financial Corporation nominated by such Corporation, as the case may be, duly nominated by the Board of Directors of such a company or Financial Corporation, shall be eligible to be elected as a member of the Governing Board. PROVIDED that such Director or nominee shall cease to be a member of the Governing Board if he ceases to be the Director of the Company or if he ceases to be an officer of the Financial Corporation.
227.			<b>Standing Committees</b> There shall be Standing Committees to discharge functions in the specific areas such as claims against defaulters, disciplinary action and Arbitration & Investors' services. Such committees shall consist of not more than 40 percent from elected members of the Exchange and the balance 60 percent nominated from persons other than members of the Exchange. with the prior approval of SEBI.
228.			<b>Audit Committee</b> The Governing Board shall nominate an Audit Committee to oversee the operations of the Exchange in terms of adequacy of systems, procedures and authorisation of crucial activities in terms of Article 257.
229.			<b>Selection Committee to select the Executive Director</b> The Governing Board shall nominate an independent Selection Committee to select the Executive Director with the prior approval of SEBI as provided in Article 312.
230.			<b>Membership Selection Committee</b> The Governing Board shall nominate a Membership Selection Committee, as per the Article 181 of the Articles of Association .
231.			<b>Ethics Committee</b> The Governing Board shall nominate an Ethics Committee, which shall be responsible for deciding and implementing the Code of Ethics in terms of Article 258.
232.			<b>Administrative Set-up</b> The Governing Board shall be responsible to provide adequate and competent administrative set-up, including the Company Secretary, headed by the Executive Director, to facilitate the administration to efficiently and effectively provide services to the investors at large, Members/Trading Members, and listed companies, be responsive to the Government, SEBI and other regulatory bodies in ensuring timely implementation of various decisions taken and communicated, complying with their requirements of carrying out investigations, providing reports, and initiating actions when so desired, and implementing directives, orders, guidelines, norms and circulars communicated by them, and thus act as a self-regulating organisation.
			<b>CHAPTER - VII</b>
			<b>General Meeting</b>



233.			<b>Statutory Meeting</b> The Statutory Meeting of the Exchange shall, as required by Section 165 of the companies Act.1956, be held at such time not being more than six months from the date at which the Exchange shall be entitled to commence business and at such place as the Governing Board may determine and the Governing Board shall comply with the other requirements of that section as to the report to be submitted and otherwise.
234.			<b>Annual General Meeting</b> The Exchange in the Annual General Meeting may from time to time decide the following matters, which shall be deemed to lie within its sole and exclusive jurisdiction and outside the purview of the Governing Board:
234.	i)	<b>Adoption of Statement of Accounts</b>	Consideration and adoption of the Income & Expenditure Account & Balance Sheet , together with the reports of the Governing Board and the statutory auditor's thereon.
234.	ii)	<b>Appointment and / or Removal of Statutory Auditor</b>	Appointment and / or removal of a statutory auditor and fixation of his remuneration for the ensuing year.
234.	iii)	<b>Election of Members to the Governing Board</b>	Election of members to the Governing Board in place of those who retire by rotation.
235.			<b>Special Business</b> All business transacted at the Annual General Meeting other than stated in Article 234 above and all business transacted at an Extra Ordinary General Meeting shall be deemed special.
236.			<b>Explanatory Statement to Special Business</b> Where any item of business to be transacted at the General Meeting are deemed to be special as stated in Article 235 above, there shall be affixed to the notice of the meeting an Explanatory Statement under Section 173 of the Companies Act, 1956, setting out all material facts concerning each such item of business, including in particular the nature and extent of the interest, if any ,therein of any member of the Governing Board.
237.			<b>Time &amp; place for inspection</b> Where any item of business consists of according approval to any document by the meeting, the time and place where the document can be inspected shall be specified in the Explanatory Statement as stated in Article 236 above.
			<b>POWERS OF THE GOVERNING BOARD</b>
238.			<b>Jurisdiction of the Governing Board</b> The Governing Board shall have complete and absolute jurisdiction over all Members/Trading Members of the Exchange and shall have supervisory jurisdiction over any and all subjects and matters referred to by the Standing and other Committees and may direct and control their actions or proceedings at any stage thereof. The Governing Board shall have absolute power and right to interpret the Articles, Bye-laws and Regulations of the Exchange and to decide all points, questions and disputes relating to the Exchange matters and relating to the administration, functions, working and affairs of the Exchange and relating to the conduct of Members/Trading Members towards each other or towards third parties. Any interpretation or decision made by the Governing Board shall be final and conclusive and binding on all the Members/Trading Members, partners, designated directors in the case of a company, approved users, agents, sub-brokers, remisiers and employees and on all persons dealing through or with them.
			<b>General Powers</b>
239.			The management of the functions, working and affairs and the control of the Exchange, the regulation of the conduct of Members/Trading Members, partners, designated directors in the case of a company, approved users, agents, sub-brokers, remisiers and employees and promotion of the welfare, objects and

			purpose of the Exchange and the management and control of the properties and funds of the Exchange and of its income and expenditure shall, subject to the Articles, Bye-laws and Regulations of the Exchange, vest in the Governing Board. In the exercise of these powers, the Governing Board may, from time to time and subject to the provisions of the Securities Contracts (Regulation) Act, 1956 and the Securities Contracts (Regulation) Rules, 1957, make such Articles and Bye-laws and adopt such Regulations and resolutions and issue such orders, notices and directions and take such decisions as it may deem appropriate.. The Governing Board, in furtherance of the foregoing powers and without prejudice to the generality of the foregoing powers and to any power or authority impliedly or expressly conferred by any Article, Bye-law or Regulation of the Exchange for the time being in force, is specially authorised, subject to any Article or Bye-law for the time being in force, to exercise governmental and administrative powers in respect of policies in that behalf contained in these Articles.
			<b>Governmental Powers</b>
240.			In the exercise of its governmental powers, the Governing Board shall be deemed empowered to do any of the following or similar acts or things or use any of the following or similar authorities:
240.	i)	<b>Functionaries</b>	To elect President and Vice-President and appoint the Executive Director, Internal Auditor and Legal Advisor and nominate Standing Committees as provided in these Articles;
240.	ii)	<b>Filing up of Casual Vacancies</b>	To fill casual vacancies of the elected members in the Governing Board or in a Standing Committee or of an Internal Auditor or of a Legal Advisor;
240.	iii)	<b>Admission, Expulsion and Control of Members/Trading Members</b>	To admit Members/Trading Members and expel them by a resolution passed by two-thirds majority of the members and to control, warn, censure, fine and suspend them, withdraw all or any of their Membership/Trading Membership rights, and declare them defaulters/deemed defaulters;
240.	iv)	<b>Imposition of Penalties</b>	To prescribe from time to time and impose penalties for violation of the Articles, Bye-laws and Regulations of the Exchange and for neglect or failure or refusal to comply with resolutions, orders, notices, directions or decisions of the Governing Board or the Executive Director or of any committee or officer of the Exchange authorised in that behalf or for any offence against the Exchange, the penalty for which is not specifically prescribed;
240.	v)	<b>Regulation of Business</b>	To determine from time to time the mode in and conditions subject to which the business on the Exchange shall be transacted;
240.	vi)	<b>Amendment to Regulations</b>	To make and from time to time add to, substitute, vary, modify or rescind any one or more of the Regulations prescribed under the Bye-laws and Regulations of the Exchange;
240.	vii)	<b>General Control</b>	To decide and from time to time adopt resolutions and issue orders, notices and directions in respect of matters not provided for in the Articles, Bye-laws and Regulations of the Exchange;
240.	viii)	<b>Review</b>	To review, reconsider, modify or rescind any resolutions, orders, notices, directions and decisions;
240.	ix)	<b>General Power</b>	Generally to supervise and direct all matters affecting the interest of the Exchange;
			<b>Administrative Powers</b>
241.			In the exercise of its administrative powers, the Governing Board shall be deemed empowered to do any of the following or similar acts or things or use any of the following or similar authorities:

241.	i)	<b>Fees and Charges</b>	To determine from time to time and collect, in addition to the dues and charges provided for in the Articles, Bye-laws and Regulations of the Exchange, such other charges or fees to be paid by Members/Trading Members, including charges for the use of equipment or facilities or for any particular services or privileges granted as may be deemed necessary or desirable for the functioning of the Exchange;
241.	ii)	<b>Borrowing Funds</b>	To borrow or raise any monies required for the purpose of the Exchange upon such terms and in such manner and with or without security as may be determined and to borrow against and pledge all or any part of the securities not paid for and held by the Clearing House for the account of a defaulting Member/Trading Member upto an amount not exceeding the value of such securities at the ruling market price for the purpose of making payment to Members/Trading Members in respect of such securities;
241.	iii)	<b>Dealing With Immovable Property</b>	To acquire, develop, purchase, lease or mortgage, either absolutely or conditionally, the whole or part of any immovable property, or to sell, exchange or otherwise dispose of any immovable property upto the value of Rupees Fifty lacs, or such higher amount as may be authorised by the general meeting;
241.	iv)	<b>Dealing With Funds</b>	To lay proper system and procedure in place authorising the Executive Director, any officer or a committee of the officers with specific responsibility to pay, disburse, dispose of or deal with any funds or other movable property of the Exchange for expenses necessary for carrying on the administration, functions, working and affairs of the Exchange and for contribution or payment towards a public purpose. The Governing Board shall authorise the executives of the Exchange, including the Executive Director, to sign cheques;
241.	v)	<b>Payment towards Charitable Purposes</b>	To establish maintain support and subscribe to any charitable or public object, and any institution, society or club, which may be for the benefit of the Exchange or its employees or may be connected with any town or place where the Exchange carries on business ; to give pensions, gratuities or charitable aid to any person or persons who have served the Exchange or to the wives, children or dependents of such person or persons that may appear to the Governing Board as just or proper, whether any such person, his widow, children or dependents have or have not a legal claim upon the Exchange;
241.	vi)	<b>Signing of cheques</b>	The Governing Board shall have full power to decide the operation of the Bank accounts of the Exchange.
241.	vii)	<b>Legal Proceedings</b>	To authorise the Executive Director and/or the Secretary to institute, conduct, prosecute, defend, compound or abandon all such actions, suits and proceedings, civil or criminal, by or against the Exchange or its employees or otherwise concerning the affairs of the Exchange as it may consider necessary and to compromise, compound or allow time for payment or satisfaction of any debts due and of any claims or demands by or against the Exchange or to submit to arbitration and to observe and perform the awards and to make, give, sign and execute all documents in that behalf;
241.	viii)	<b>Personnel Policy for Employees</b>	To lay down personnel policy covering the scales, grades, increments, promotion and scholarship for higher studies for employees and their children, sponsoring of professional programmes for employees, to establish, maintain or subscribe to for their benefits to any provident fund, pensions, gratuities, compensation and insurance schemes/policies, leave, notice period for resigning from the position, suspension, termination or removal from services and standing orders subject to which the employees shall be working in the Exchange and to review and alter such policy from time to time;
241.	ix)	<b>Stock Exchange facilities</b>	To provide from time to time such facilities as may be found necessary for administration, functions, working and affairs of the Exchange;

241.	x)	<b>Issue of receipts etc.</b>	To make and give receipts , releases and other discharges for money payable to the Exchange and for the claims and demands of the Exchange;
241.	xi)	<b>Investment of Funds</b>	To invest and deal with any of the monies of the Exchange not immediately required for the purpose thereof in the forms or modes specified in sub- section 5 of Section 11 of the Income Tax Act, 1961 and/or upon such securities mentioned in the Indian Trust Amendments Act, 1908 and 1916 and / or in any other form or mode of investment or deposit as may be prescribed under the Income Tax, 1961 and/ or Indian Trust Amendments Act, 1908 and 1916 and / or in gilt edged funds and / or by deposits with reputable banks as the Governing Board may determine and in such manner as it thinks fit and from time to time to vary or realise such investments .
241.	xii)	<b>Reserve Fund</b>	To set aside out of the profits of the Exchange such sums as they think proper as a Reserve Fund to meet contingencies or for repairing, improving and maintaining any of the property of the Exchange and for such other purposes as the Governing Board shall in their absolute discretion think conducive to the interest of the Exchange
241.	xiii)	<b>Negotiation and Contracts</b>	To enter into all such negotiations and contracts and rescind and vary all such contracts and execute and do all such acts, deeds and things in the name and on behalf of the Exchange as they may consider expedient for or in relation to any of the matters aforesaid or otherwise for the purpose of the Exchange.
241.	xiv)	<b>Formation of other Funds</b>	To set aside portion of the profits of the Exchange to form a fund to provide for such pensions, gratuities or compensation, to create any provident fund or benefit fund in such or any other manner as the exchange may deem fit.
241.	xv)	<b>To call upon for appearance before the Governing Board/ Executive Director</b>	To call upon any Member/Trading Member, designated director in the case of a company, approved users, agent, sub-brokers, remisiers and employees to appear and testify before the Governing Board or the Executive Director and to furnish the Governing Board or the Executive Director such books, papers documents, correspondence, clearing documents and any other records or information in his or their possession which may be deemed relevant and material to any matter under enquiry or investigation or which the Governing Board in its absolute discretion deems necessary in the interest of the joint and equitable principles of trade or in the public interest and welfare of the exchange and its Members/Trading Members and to hear, investigate, arbitrate and adjudicate on and decide all questions and disputes affecting the aforesaid Members/Trading Members and their agents, employees or constituents arising out of the business done in the exchange or affecting their dealing, character and conduct towards each other or towards their parties.
241.	xvi)		To make and alter rules and regulations concerning the time and manner of payment of the contributions of the employees or others and the Exchange respectively to any such fund and the accrual, employment suspension and forfeiture and disposal thereof, and otherwise in relation to the working and management of the said fund as the Governing Board shall from time to time think fit.
241.	xvii)		To examine and investigate the financial condition, business conduct and dealings of Members/Trading Members.
			<b>Legislative Powers</b>
242.			<b>Power to Make Articles, Bye-laws and Regulations</b> The Governing Board may, from time to time and subject to the provisions of the Companies Act, 1956, and the Securities Contracts (Regulation) Act, 1956 and the Rules made thereunder, make, amend, add to or rescind any Article or Articles and/or Bye-law or Bye-laws and/or Regulation or Regulations of the Exchange.

243.			<p><b>Amendments to Regulations</b> Any amendments, additions or alterations to any Regulation made by the Governing Board in pursuance of the powers conferred by the Articles and Bye-laws to which such regulations relate shall be communicated to SEBI by fax or electronic mail within twenty four hours. The Governing Board shall forthwith amend, alter or withdraw any such Regulation, if so desired by SEBI and such Regulation brought into force by direction of the SEBI shall not be subject to any alteration, addition or amendment by the Governing Board, but shall be subject to amendment, alteration or addition only by the SEBI.</p>
244.			<p><b>Suspension of Articles, Bye-laws and Regulations</b> The Governing Board may, by a resolution passed by two-thirds majority, waive or dispense with the strict enforcement or suspend the operation in part or in whole of any Article or Articles and/or Bye-law or Bye-laws and/or Regulation or Regulations of the Exchange and in regard to any person and/or persons and/or security or securities and/or matter or matters connected therewith;</p> <p>PROVIDED that the Governing Board shall not waive or dispense with the strict enforcement or suspend the operation in part or in whole of any Article or Articles and/or Bye-law or Bye-laws continuously for a period exceeding three working days except with the prior approval of SEBI;</p> <p>PROVIDED further that when information regarding waiver and/or dispensation and / or suspension is so conveyed, in writing, as to reach SEBI in the normal course within twenty four hours of such decision having been taken by the Governing Board, such decision shall remain in force until the time the decision of SEBI is communicated, in writing, to the Exchange and the decision of SEBI, so communicated, shall prevail.</p>
			<p><b>Other General Powers</b></p>
245.			<p><b>Delegation of Powers</b> The Governing Board may, subject to such conditions as it may think fit, delegate such of its powers, except the power to make, amend, add to and rescind Articles and/or Bye-laws of the Exchange, as it may from time to time delegate to the Executive Director or to a committee or committees appointed out of its own members.</p>
246.			<p><b>Review of decisions</b> A person affected by a decision of the Executive Director or a committee acting under the powers delegated by the Governing Board as provided in Article 245 may require a review by the Governing Board within seven days after the decision has been rendered.</p>
247.			<p><b>Delegation of Powers in Emergency</b> Whenever the Governing Board in its discretion is of the opinion that an emergency exists, it may, by a resolution, delegate all or some of its powers for such period as it may determine to a committee appointed out of its own members or to the Executive Director from whose decision, there shall be no appeal.</p>
248.			<p><b>Decision of Governing Board Final</b> In all matters brought under the consideration of the Governing Board, its decision, whether expressed by a resolution or otherwise, shall be final and binding and must be carried out forthwith by every Member/Trading Member concerned and by his designated partners, designated directors in the case of a company, approved users, authorised representatives, agents, sub-brokers, remisiers or any other employees.</p>
249.			<p><b>Governing Board as Agents/Trustees</b> The Governing Board shall hold, on behalf of the Exchange as agent and in trust for a Member/Trading Member, all sums of money paid and securities delivered by him to the Clearing House and all credits and securities to which he is entitled as appearing in his account in the books of the Clearing House.</p>
250.			<p><b>Indemnity to the Governing Board</b> The Governing Board and its members shall, in no way either collectively or</p>

			individually, be held liable by any person for any acts of commissions and / or omissions on its part or on the part of any employee of the Exchange done or omitted to be done in good faith in the due discharge of duties and in the execution or purported execution of their duties or of any powers, authorities or discretion vested in them including all liabilities, costs, losses or expenses consequent on any mistake, oversight or omission on their part and they shall be fully indemnified by the Exchange out of its funds for anything so done or omitted to be done.
			<b>STANDING COMMITTEES</b>
251.			<p><b>Committee for Settlement of Claims Against Defaulters, Disciplinary Action Committee and Conciliation, Arbitration &amp; Investors' Services Committee</b></p> <p>The Governing Board shall every year, at the first meeting after every Annual General Meeting, nominate from among the members of the Governing Board, such persons comprising of 40 per cent from members of the Exchange and the balance 60 per cent from persons, who are not the members of the Exchange, with the prior approval of SEBI, on each of the Committee for Settlement of Claims Against Defaulters, Disciplinary Action Committee and on the Conciliation , Arbitration &amp; Investors' Services Committee. The non-members to be nominated on these Committees may or may not be from among the persons recommended by the Governing Board and SEBI shall have discretion to nominate any other person on these Committees.</p>
252.			<p><b>Alteration in Number of Members on the Committees</b></p> <p>The Governing Board may, where the circumstances so warrant, increase or reduce the number of members of any one or more of these committees, with the prior approval of SEBI.</p>
253.			<p><b>Committee for Settlement of claims against defaulters</b></p> <p>The Governing Board shall nominate a Committee for settlement of claims against defaulters comprising of such members not being less than one from elected members and not being less than two from non-elected members from time to time in addition to the President or in his absence the Vice – President and the Executive Director who are ex-officio members thereof by virtue of the provisions of these Articles.</p> <p>This committee shall deal with claims filed against defaulting Members/Trading Members.</p>
254.			<p><b>Disciplinary Action Committee</b></p> <p>The Governing Board shall nominate a Disciplinary Action Committee comprising of such members not being less than one from elected members and not being less than two from non-elected members from time to time in addition to the President or in his absence Vice – President and the Executive Director who are ex-officio member thereof by virtue of the provisions of these Articles.</p> <p>This Committee shall deal with such matters which concern non-compliance of any of the provisions of the Article , Bye-laws and regulations of the Exchange, provisions of the Securities Contracts (Regulation) Act,1956 including disciplining of trading and member activities and non-compliance of any of the orders issued by the Exchange</p>
255.			<p><b>Conciliation, Arbitration &amp; Investors' Services Committee</b></p> <p>The Governing Board shall nominate a Conciliation, Arbitration &amp; Investors' Service Committee comprising of such members not being less than one from elected members and not being less than two from non-elected members from time to time in addition to the President or in his absence the Vice – President and the Executive Director who are ex-officio member thereof by virtue of the provisions of these Articles.</p> <p>The Arbitration Committee may in its sole discretion appoint a sole Arbitrator or three or more Arbitrators constituting the Arbitral Tribunal provided however, that the number of Arbitrators constituting the Arbitral Tribunal shall always not be an even number.</p> <p>This Committee shall be constituted for the purpose of adjudicating in disputes</p>

			between Members/Trading Members and non-members and also for the purpose of adjudicating in disputes between Members/Trading Members. This Committee shall supervise the working of the Investors' Services Cell of the Exchange and in suitable cases attend to the grievances of the investors personally.
256.			Each Standing Committee shall exercise such powers and duties and be subject to such regulations, if any, as are set out in their respective behalf by the Bye-laws and Regulations of the Exchange and subject thereto to any directions, Bye-laws or Regulations that may be formed or given by the Governing Board from time to time in that behalf.
			<b>AUDIT COMMITTEE</b>
257.			The Governing Board shall nominate an Audit Committee comprising not less than three members of the Governing Board, who shall be an elected member, a Public Representative and a SEBI nominee, to oversee the operations of the Exchange in terms of adequacy of systems, procedures and authorisation of activities resulting in incurring of expenses and/or investment, prescription of standards for compliance of these matters and advising the Executive Director to initiate specific action.
			<b>ETHICS COMMITTEE</b>
258.			<b>Nomination</b> The Governing Board shall nominate an Ethics Committee which shall be responsible for deciding and implementing the Code of Ethics for members of the Governing Board and Functionaries of the Exchange as may be prescribed by the Governing Board and / or SEBI from time to time.
259.			<b>Definitions :</b>
259.	i)	<b>Functionaries</b>	Functionaries of the Exchange to whom this Code shall be applicable shall be decided by the Governing Board but shall include all officials of the rank of manager and above.
259.	ii)	<b>Family</b>	Family members will include dependent spouse, dependent children, and dependent parents.
259.	iii)	<b>Securities</b>	Securities for the purpose of this Code shall not include Mutual Fund units, Government Securities, and any other security as may be specified by SEBI from time to time.
260.			<b>General principles governing ethics</b>
260.	i)		Elected members of the Governing Board and Functionaries shall endeavour to promote greater awareness and understanding of ethical responsibilities.
260.	ii)		Elected members of the Governing Board and Functionaries, in the conduct of their business, shall observe high standards of commercial honour and just and equitable principles of trade.
260.	iii)		The conduct of elected members of the Governing Board and Functionaries in business life should be exemplary which will set a standard for other members of the Exchange to follow.
260.	iv)		Elected members of the Governing Board and Functionaries shall not use their positions to do or get favours from the executives or administrative staff of the Exchange, suppliers of the Exchange or any listed company on the Exchange.
260.	v)		Elected members of the Governing Board and Functionaries will not commit any act which will put the reputation of the Exchange in jeopardy.
260.	vi)		Elected members of the Governing Board and of the committees of the Exchange and Functionaries of the Exchange shall comply with all the Rules and Regulations applicable to the securities market.

260.	vii)	<b>Prohibition of Dealings in securities in proprietary Account by Elected Members of the Governing Board</b>	Elected members of the Governing Board holding any office shall refrain from proprietary trades in securities, directly or indirectly, during the period of holding such office.
260.	viii)	<b>Disclosure of Dealings in Securities by Functionaries of the Exchange</b>	Functionaries of the Exchange shall disclose to the Governing Board / Ethics Committee / designated Compliance Officer on a periodic basis, as may be determined by the Governing Board of the Exchange from time to time (which could be monthly), all their dealings, direct or indirect, in securities for such amounts as may be specified by the Governing Board of the Exchange. The dealings in securities shall also be subject to trading restrictions for securities about which Functionaries in the Exchange may have non-public price sensitive information. Requirements laid down under SEBI (Insider Trading) Regulations, 1992 would have to be complied with for this purpose. All transactions must be of an investment nature and not speculative in nature. Towards this end, all securities purchased must be held for a minimum period of 60 days before they are sold. However, in specific / exceptional circumstances, sale can be effected anytime by obtaining prior clearance from the Compliance Officer or any other designated authority who will be empowered to waive this condition after recording in writing his satisfaction in this regard.
260.	ix)	<b>Disclosure of Dealings in Securities by the Elected Members of the Governing Board</b>	Elected members of the Governing Board shall disclose on a periodic basis, as may be determined by the Governing Board from time to time (which could be monthly), their proprietary trading, directly or indirectly, to the Ethics Committee. All elected members of the Governing Board shall also disclose on a periodic basis as fixed above, the trading conducted by firms / corporate entities in which they hold 20% or more beneficial interest or hold a controlling interest, to the Ethics Committee. Directors who are Government of India Nominees or Nominees of Government of India Statutory Bodies or Financial Institutions and who are governed by their own Codes shall be exempt from this requirement.
260.	x)	<b>Avoidance of Conflict of Interests</b>	No member of the Governing Board or member of any committee of the Exchange shall participate in any decision making / adjudication in respect of any person / matter in which he is in any way, directly or indirectly, concerned or interested. Determination as to whether there is any conflict of interest or not in a matter would be decided by the Governing Board of the Exchange.
260.	xi)	<b>Disclosures of Beneficial Interest</b>	All elected members of the Governing Board and Functionaries shall disclose to the Governing Board of the Exchange, upon assuming office and during their tenure in office, whenever the following arises; - any fiduciary relationship of self and family members and directorship / partnership of self and family members in any broking outfit, - shareholding, in cases where the shareholding of the member of the Governing Board, directly or through his family, exceeds 5% in any listed company on the Exchange or in other entities related to the capital markets, - any other business interests.
260.	xii)	<b>No Role of the Elected Members of the Governing Board in the Day to day Functioning of the Exchange.</b>	Elected members of the Governing Board shall not have any role whatsoever and shall not interfere in the day-to-day functioning of the Exchange and shall limit their role to decision making on policy issues as the Governing Board may decide. Elected members of the Governing Board shall abstain from influencing the employees of the Exchange in conducting their day-to-day activities and the assignments given by their superiors. Elected members of the Governing Board shall not be involved in the function of appointment and promotion of employees.
260. xiii)	a)	<b>Elected Governing</b>	<b>Access to Information</b> Elected members of the Governing Board shall call for information only as part



		<b>Board members may call for information</b>	of specific committees or as may be authorised by the Governing Board.
260. xiii)	b)	<b>Channels of Information to be laid down</b>	There shall be prescribed channels through which information shall move and further there shall be audit trail of the same. Any retrieval of confidential documents / information shall be properly recorded
260. xiii)	c)	<b>Confidentiality of Information</b>	All such information, especially which is non-public and price sensitive, shall be kept confidential and not be used for any personal consideration / gain.
260. xiii)	d)	<b>No divulgence of information to third parties</b>	Any information relating to the business / operations of the Exchange, which may come to the knowledge of elected members of the Governing Board / Functionaries of the Exchange during performance of their duties shall be held in strict confidence and, shall not be divulged to any third party and shall not be used in any manner except for the performance of their duties.
260.	xiv)	<b>Misuse of Position</b>	Elected members of the Governing Board / committees shall not use their position to obtain business or any pecuniary benefit (as intermediaries like brokers or in any other capacity like professionals or consultants) in the organisation for themselves or family members.
261.			<b>Compliance Officer</b> The Ethics Committee shall lay down procedures for the implementation of the Code and prescribe reporting formats for the disclosures required under the Code. The Governing Board of the Exchange or the Ethics Committee may designate a senior officer of the Exchange as Compliance Officer for executing the requirements laid down by it.
262.			<b>Limitation on constituting Other Committees</b> No committee, sub-committee or standing committee other than the standing committees under Articles 253, 254 and 255, the functions of which would either overlap or conflict with the functioning of the Executive Director, shall be constituted. However, the Governing Board may constitute such other committees as they may consider necessary. The Governing Board may constitute a Management - Committee or other committees of the executives of the Exchange and independent experts to assist, may be inducted to facilitate decision making. All the Committees whether standing or otherwise shall be subject to the control and overall supervision of the Governing Board.
263.			<b>Removal of Member from Standing Committees</b> The Governing Board may, for reasons to be recorded in writing, remove a member from any standing committee. However, where such member is other than the Member/Trading Member of the Exchange, the Governing Board may remove him only with the prior approval of SEBI.
264.			<b>Casual Vacancy</b> If a casual vacancy arises in a Standing committee by reason of death, resignation, removal, suspension, expulsion or absence for a period exceeding two months, such vacancy shall be filled by the Governing Board by nomination of another elected member in case where the vacancy has arisen in place of a Member/Trading Member of the Exchange, and by the nomination of a person other than a member of the Exchange with the prior approval of SEBI in case the vacancy has arisen in place of a member other than the Member/Trading Member of the Exchange, as the case may be, and the member so nominated shall continue in office till the next nomination and shall be eligible for re-nomination.
265.		<b>Tenure of member of Standing Committee</b>	<b>Existing members of Standing Committee to continue until induction of new members</b> The members of the standing Committee shall hold office from the date of their respective appointment until the first Governing Board Meeting is held after the next Annual General Meeting. PROVIDED that if at the said meeting of the Governing Board, new members

			of the aforesaid Committees are not appointed, the existing members shall continue until their successors are validly appointed by the Committee.
			<b>Vacation of office by Standing Committee member</b>
266.			A Member/Trading Member shall <i>ipso facto</i> and forthwith cease to be a member of any Standing Committee on happening of any one or more of the following:
266.	i)		if he submits his application for nomination for transfer of Membership/Trading Membership, or
266.	ii)		if he submits his application for surrender/buy-back of Membership/Trading Membership, or
266.	iii)		if he was a Member/Trading Member of the Exchange at the time when he was nominated a member of any committee and he ceases to be a Member/Trading Member of the Exchange for any reason whatsoever.
			<b>Retirement &amp; Re-Nomination of members on Standing Committee</b>
267.			All retiring members of a Standing Committee shall be eligible for re-nomination for a consecutive period not exceeding three years and become eligible for re-nomination after a gap of one year reckoned from the expiry of the date on which the office as a member for a consecutive period of three years comes to an end.
268.			All retiring elected members of a Standing committee shall continue in office until their successors are nominated.
			<b>PRESIDENT &amp; VICE-PRESIDENT</b>
269.			The President shall preside at any meeting of the Exchange, the Governing Board or, any Committee which he may attend.
270.			He shall be the ex-officio member of any Committee appointed by the Governing Board.
271.			He shall represent the Exchange in all public matters
272.			He may assume and exercise all such powers and perform all such duties as are exercisable by the Governing Board and delegated to him by the Governing Board from time to time as provided in the Articles, Bye-laws & Regulations of the Exchange.
273.			He shall be entitled to exercise any or all of the powers exercisable by the Governing Board whenever he is of the opinion that immediate action is necessary, subject to his action being confirmed by the Governing Board at the immediately succeeding meeting.
274.			In the absence of the President or on his inability to act, the Vice-President shall assume all the functions and exercise all the rights and powers and discharge all the duties of the President.
			<b>EXECUTIVE DIRECTOR</b>

275.	1)	<b>Day-to-Day Administration and Executive Powers</b>	Subject to the control and supervision of the Governing Board, the Executive Director shall be vested with the executive powers of the Exchange to run the day-to-day administration and to enforce the Articles, Bye-laws and Regulations of the Exchange and the directives, orders, guidelines, norms and circulars issued by SEBI from time to time and shall exercise such powers in deciding all matters encompassing the activities of the Exchange and such further powers save and except those contained in Articles 241(vi), 241(viii), 296, 355, 381 and 382 which may be delegated or entrusted to him by the Governing Board and/or SEBI from time to time. Any failure to enforce the Articles, Bye-laws or Regulations of the Exchange or directives, orders, guidelines, norms or circulars issued by SEBI will render the Executive Director liable for removal or termination of service by SEBI, subject to the Executive Director being issued a show cause notice and given an opportunity of being heard before such termination or removal.
275.	2)		In the absence of the President or the Vice-President, the Executive Director shall be entitled to exercise all or all of the powers exercisable by the Governing Board whenever he is of the opinion that immediate action is necessary subject to his action being confirmed by the Governing Board within 24 hours.
275.	3)		In the absence of the Executive Director or on his inability to act, his functions and powers shall be exercised by the senior available officer of the Exchange under the direction of the Governing Board.
275.	4)		<b>Delegation of Powers</b> The Executive Director may delegate his powers, duties and functions by way of written orders to any one or more of the officers or any one or more of the committees of the officers as he may deem fit. A person affected by a decision of any officer of the Exchange who has been delegated the powers under these Articles and/or Bye-laws may require a review by the Executive Director within seven working days after the decision has been rendered.
275.	5)		<b>General Operational Powers</b> The Executive Director shall exercise and perform, in addition to the powers and duties specified in the Articles, Bye-laws and Regulations of the Exchange, the following powers and duties without prejudice to the generality of the foregoing powers and to any power or authority impliedly and expressly conferred by any Article, Bye-law or Regulation of the Exchange for the time being in force:
275. (5)	i)		being the Chief Executive Officer, managing and attending to all correspondence;
275. (5)	ii)		be in-charge of all the properties and records of the Exchange;
275. (5)	iii)		causing to maintain registers, documents and records as required by the Articles, Bye-laws and Regulations of the Exchange;
275. (5)	iv)		giving permission for admission to dealings of securities on the Exchange;
275. (5)	v)		approving and regulating the designated partners, designated directors in the case of a company, approved users, authorised representatives, agents, sub-brokers, remisiers and employees of Members/Trading Members and to warn, censure, fine, suspend and expel them except employees of Members/Trading Members;
275. (5)	vi)		calling upon for attendance and information including books, papers, documents and other records or information from any Member/Trading Member and/or from any company whose securities are admitted to dealings on the Exchange or which are seeking admission to dealings of their securities on the Exchange;
275. (5)	vii)		taking suitable measures relating to settlement of transactions so as to safeguard and protect the interest of the Exchange and/or other

		Members/Trading Members and/or clients;
275. (5)	viii)	calling upon for examination and investigation of the business conduct and dealings of the Members/Trading Members;
275. (5)	ix)	receiving complaints and making such enquiry and collecting such information as may be required and initiating necessary action as provided in the Articles, Bye-laws or Regulations of the Exchange;
275. (5)	x)	making necessary arrangements for receiving monies due to the Exchange and also issuing receipts therefor;
275. (5)	xi)	incurring all revenue and capital expenditure within the budget sanctioned by the Governing Board;
275. (5)	xii)	causing proper accounts to be maintained and delivering of account books or furnishing information to the statutory/internal auditors appointed for the purpose of audit of the accounts of the Exchange;
275. (5)	xiii)	making and giving releases on behalf of the Exchange;
275. (5)	xiv)	investing surplus funds in securities/deposits in accordance with the policy approved by the Governing Board from time to time;
275. (5)	xv)	taking from time to time suitable regulatory measures such as imposing various types of margins, including scrip specific margins, ad-hoc margins and penal margins or margins of similar nature and broker specific margins, ad-hoc margins, daily/weekly limits on price fluctuations of any one or more securities, imposing additional restriction on exposure limits, prohibiting long purchases and/or short sales, ordering liquidation of outstanding positions, fixing different making-up prices for sellers and buyers, fixing maximum and/or minimum prices, fixing carry over charges, withholding partially or fully pay-out of securities and/or funds and disposing of securities, calling for early pay-ins, suspension of trading in scrips, placing scrips on spot trading or trade for trade delivery basis, ordering analysis/investigation of dealings of Members/Trading Members, their business conduct and financial dealings and such other measures as are considered expedient provided the reasons for these measures are recorded in writing and communicated to SEBI in writing within three working days and a report thereon is placed at the next meeting of the Governing Board;
275. (5)	xvi)	deciding on all matters relating to market regulation and compliance of the measures taken pursuant to Article 413 and levy of penalties for non-compliance excluding the specific areas assigned to Disciplinary Action Committee and/or the Governing Board;
275. (5)	x v ii )	taking consequential action pursuant to SEBI Inspection Report;
275. (5)	xviii)	be ex-officio member of any committee nominated by the Governing Board or the Exchange including the Standing Committees;
275. (5)	xix )	signing and issuing all notifications/press releases on behalf of the Exchange / Governing Board, as required under the Articles, Bye-laws or Regulations of the Exchange;

275. (5)	xx)		enforcing the directives, orders, guidelines, norms and circulars issued by SEBI from time to time and the Articles, Bye-laws and Regulations of the Exchange and to take disciplinary action in cognisance of offences committed thereunder;
275. (5)	xxi)		implementing the recommendations or advice given by the Audit Committee in the manner specified in the report;
275. (5)	xxii)		exercising control over the management of the Clearing House;
275. (5)	xxiii)		representing the Exchange as its official representative in all public matters;
275. (5)	xxiv)		causing recovery of various amounts due and payable by Members/Trading Members to the Exchange by debiting the accounts of respective Members/Trading Members;
275. (5)	xxv)		performing such other duties and functions as are incidental and ancillary for the performance of the above duties and exercising such other powers as may be delegated to him by the Governing Board or as may be entrusted to him by SEBI.
			<b>COMPANY SECRETARY</b>
276.			The Governing Board shall appoint a Company Secretary of the Exchange. For the purpose of the Articles, Bye-laws and Regulations of the Exchange, the term Secretary includes Deputy Secretary and Assistant Secretary.
277.			The Company Secretary shall be the Secretary of the Governing Board and also the Secretary of each standing and other committees.
278.			The Company Secretary shall, subject to any Regulations or direction of the Executive Director, have general charge and control over the employees of the Exchange and of all books, papers, documents, records and registers belonging to the Exchange.
279.			The Company Secretary shall send out all notices and agenda papers and attend all meetings of the Exchange and of the Governing Board, and, if necessary, of standing and other committees, and shall cause proper minutes to be kept of the proceeding of all such meetings.
280.			The Company Secretary shall maintain or cause to be maintained such records and registers as he may be directed by the Executive Director relating to members , partners in case of a partnership firm, directors in the case of a company , approved users, authorised representatives agents, sub-brokers, remisiers and employees.
281.			All Members/Trading Members of the Exchange, designated partners in the case of a partnership firm, designated directors in the case of a company , approved users, authorised representatives, agents, sub brokers, remisiers and employees shall give to the Company Secretary all such information and produce before him all such records as he may by direction of the Governing Board or the Executive Director require for carrying on the administration, functions, working and affairs of the Exchange.
			<b>AUDITORS</b>
282.			<b>Appointment and Duties of Statutory Auditor</b> The Exchange in Annual General Meeting shall appoint a Statutory Auditor and fix his annual remuneration. The auditor so appointed shall examine the accounts of the Exchange as well as the securities and other investments of the funds of the Exchange and all the necessary vouchers and papers and make his report which shall be submitted to the Annual General Meeting.
283.			<b>Casual vacancy in the office of the statutory auditor</b> Any casual vacancy in the office of the statutory auditor shall be filled in by the Governing Board by appointment of another statutory auditor

284.			<b>Internal Auditor</b> The Governing Board shall appoint an Internal Auditor to carry out internal audit of the activities, operations and accounts of the Exchange and fix his annual remuneration. The Internal Auditor so appointed shall examine adequacy of the proper infrastructure, system and procedures in place to ensure accurate and timely generation of reports through Management Information System and statement of accounts, besides implementing various directives, orders, guidelines, norms and circulars issued by SEBI from time to time. The Internal Auditor shall be independent of the Statutory Auditor and shall have qualifications as specified in the Companies Act for any auditor.
285.			<b>Practising Company Secretary</b> The Governing Board shall engage the services of a practising Company Secretary to examine and certify about compliance by the Exchange of the directives, orders, guidelines, norms and circulars issued by SEBI from time to time, and the report of the practising Company Secretary shall be placed before the Governing Board immediately in the succeeding meeting taking place after submission of such report to the Executive Director.
286.			<b>Legal Advisor</b> The Governing Board shall appoint a Legal Advisor to render legal services and counsel as may be required by the Administration, Governing Board and General Body. The person or agency so appointed shall be professionally competent, having eminence in the field of law.
			<b>CHAPTER – VIII</b>
			<b>ELECTION, NOMINATION, APPOINTMENT OF MEMBERS, VACANCIES IN THE GOVERNING BOARD AND ADMINISTRATIVE SET UP</b>
287.			<b>Election of Members to the Governing Board - Conditions of Eligibility</b> No Member/Trading Member shall be eligible to be elected a member of the Governing Board if :
287.	i)	<b>Nationality</b>	he be not a citizen of India;
287.	ii)	<b>Standing</b>	he be a Member/Trading Member of less than three years' standing on the last day for submission of proposals by candidates for election under Article 318;
287.	iii)	<b>Default</b>	he has at any time been declared a defaulter or failed to meet his liabilities in ordinary course or compounded with his creditors;
287.	iv)	<b>Suspended</b>	he is under suspension on account of non-compliance of any of the requirements specified by the Exchange and/or where registration granted by SEBI has been suspended by SEBI and a period of two years from the date of expiry of such suspension or suspension of registration by SEBI has not elapsed during the time of submission of proposals;
287.	v)	<b>Cancellation of Registration</b>	his registration granted by SEBI has been cancelled by SEBI ;
287.	vi)	<b>Criminal Prosecution</b>	he is facing charges of criminal offence and the relevant statutory authority has filed criminal prosecution against such Member/Trading Member;
287.	vii)	<b>Not Complying With Conciliation / Arbitration Award</b>	he fails to comply with the conciliation / arbitration award as provided in the Articles, Bye-laws and Regulations of the Exchange;
287.	viii)	<b>Not Resolving Complaints of Investors</b>	he fails to take effective steps to resolve complaints of investors for non-receipt of payment for the securities sold and/or non-receipt of securities for the amount paid or fails to furnish necessary written explanation or statement of account in respect of complaints pending with the concerned Member/Trading Member for more than a month to the satisfaction of the Conciliation , Arbitration &

			Investors' Services Committee, where the total amount works out to be Rs. One lakh or more;
287.	ix)	<b>Not Maintaining Base Minimum Capital</b>	he does not maintain base minimum capital with the Exchange and/or is not carrying on business. Any such Member/Trading Member, who after his election to the Governing Board, fails to maintain the base minimum capital with the Exchange and/or ceases to carry on business on the Exchange, shall <i>ipso facto</i> and forthwith cease to be a member of the Governing Board.;
287.	x)	<b>Not holding share qualification</b>	he ceases to hold the share qualification , required of him by the Articles of the Exchange
288.			<b>Eligibility in case of company:-</b> Not more than one designated director of a company shall be eligible to be a member of the Governing Board at the same time.
289.			<b>Eligibility for re-election of Elected Members of the Governing Board upon retirement</b> All the retiring elected members of the Governing Board shall be eligible for re-election. PROVIDED that when a person has been a member elected for two consecutive terms on the Governing Board neither such person nor any other designated partner of the partnership firm represented by such person nor any other designated director of the company represented by such person shall be eligible for re-election unless a period of two years has elapsed since he last held office in the Governing Board as an elected member.
290.			<b>Retirement Age for members of the Governing Board</b> No person shall be eligible to hold office as a member of the Governing Board, if he completes the age of seventy-five years. In case of elected members of the Governing Board, such Member/Trading Member shall not be eligible to contest election in the year in which such Member/Trading Member is to complete the age of seventy five years and where such Member/Trading Member has already been elected earlier, the term of such Member/Trading Member shall expire on the date of the next Annual General Meeting of the Exchange preceding the date on which such Member/Trading Member shall be completing the age of seventy five years.
291.			<b>Retirement by rotation of Governing Board members</b> At every Annual General Meeting of the Exchange, one-third of the members elected to the Governing Board under Article 225(i) and if their number is not a multiple of three, then the number nearest to one-third shall retire from the office. The members elected to the Governing Board to retire each year by rotation at every Annual General Meeting , shall be those who have been longest in office or those who have completed three years in office since their last election to the Governing Board, whichever is earlier, but as between persons who became members of the Governing Board on the same day, those who are to retire shall, in default of, and subject to, any agreement made, be determined by lot.
292.			If at any Annual General Meeting at which an election of members of the Governing Board ought to take place, the places of the retiring members on the Governing Board be not filled up, the retiring members of the Governing Board or such of them as have not had their places filled up shall if willing, continue in office until the Annual General Meeting in the next year or so on from year to year until their places are filled up.
293.			<b>Election by ballot</b> The Exchange shall at every Annual General meeting elect by ballot one-third of the elected members of the Governing Board in place of those who retire as aforesaid .
294.			<b>Retirement Provisions where not to apply</b> Notwithstanding anything contained in the Companies Act in relation to retirement, the provisions relating to retirement contained herein shall not be applicable to SEBI nominees, Public Representatives and the Executive Director, nominated or appointed as provided under the Articles of the

			Exchange.
295.			<p><b>Conditions applicable to Company</b>  A designated director of the company , duly nominated by the Board of Directors of such company , shall be eligible to be elected a member of the Governing Board subject to the provisions of Article 287. Such designated director shall cease to be a member of the Governing Board if he ceases to be a designated director of the company being a corporate Member of the Exchange, in which event the post on the Governing Board shall fall vacant. The Vacancy will be filled up as may be decided by the Governing Board.</p>
			<b>ELECTION OF PRESIDENT &amp; VICE-PRESIDENT</b>
296.			<p>After every Annual General Meeting of the Exchange, the President and the Vice-President shall be elected by the Governing Board from amongst the members of the Governing Board within ten days after the conclusion of the Annual General Meeting. The President and the Vice-President so elected need not be shareholders of the Exchange.</p> <p>PROVIDED further that no member who has held the office of the President or Vice-President for two consecutive years shall offer himself for re-election to the same office unless a period of one year has elapsed since he last held such office.</p> <p>PROVIDED further that no broker member of the exchange shall be an office bearer i.e. President, Vice-President or Treasurer of the Exchange.</p>
297.			The President and Vice –President so elected shall hold office until the conclusion of the next Annual General Meeting.
298.			In the event of any casual vacancy occurring in the office of the President or Vice-President, a successor shall be elected in accordance with procedure of Article 296 .
			<b>PUBLIC REPRESENTATIVES</b>
299.			<p><b>Maximum Number of Public Representatives</b>  SEBI shall nominate on the Governing Board of the Exchange not more than six persons as the case may be who shall be Public Representatives as provided herein under Article 225(iii).</p>
300.			<p><b>Qualifying criteria for nomination as Public Representative</b>  The Public Representatives to be nominated by SEBI on the Governing Board of the Exchange shall be persons of public eminence having necessary professional competence and experience in the areas related to the securities market like industry, commerce, economics, finance, accounts, law, etc. Such Public Representatives shall not be required to hold any share qualification.</p>
301.			<p><b>Disqualification</b>  No person who is associated with any broker in the securities market shall be eligible to be nominated as a Public Representative.</p>
302.			<p><b>Panel and Its Ratio</b>  For the purpose of nomination of Public Representatives, the Governing Board may, soon after election of elected members under Article 293 consider names of the eligible persons and prepare a panel of at least two persons for each of the vacant positions for nomination as Public Representative in order of preference. The Executive Director shall forward the panel of persons to SEBI. SEBI shall nominate as soon as possible the persons as Public Representatives. The Public Representatives to be nominated by SEBI, however, may or may not be from amongst the panel of persons recommended by the Governing Board and SEBI shall have discretion to nominate any other persons as Public Representatives subject to the provisions of Article 300.</p>
303.			<p><b>Effect of failure to recommend Panel</b>  If the Governing Board fails to recommend to SEBI a panel of persons for nomination of Public Representatives by SEBI within one month from the date of the first meeting of the Governing Board held after the election, SEBI may</p>



			suo moto nominate persons as Public Representatives on the Governing Board of the Exchange subject to the provisions of Article 300.
304.			<b>Term of Office</b> The Public Representatives to be nominated by SEBI shall hold office for such term as may be specified by SEBI or until the succeeding Public Representatives are nominated by SEBI, whichever is later. SEBI may, however, at any time, require a Public Representative to relinquish office and nominate another person in his place.
305.			<b>Filling up of Vacancy</b> Any vacancy caused by resignation, removal, death or otherwise of a Public Representative shall be filled up in the same manner as provided in Article 302 within a period of two months from the date of happening of such event and where the Exchange fails to do so, such vacancy shall be filled up as provided under Article 302.
306.			<b>Report to SEBI</b> SEBI may issue to the Public Representatives such directions and instructions as it may consider necessary with regard to the affairs of the Exchange and may also require them to report to SEBI in that behalf from time to time.
307.			<b>Retirement Age</b> A person shall not be eligible to be nominated as a Public Representative for the year in which such person will be completing the age of 75 years.
			<b>SEBI NOMINEES</b>
308.			<b>Max. Number of Nominees</b> SEBI may from time to time nominate one or more persons not exceeding three in number as its nominee/s on the Governing Board as provided in Articles 225(ii) herein above.
309.			<b>Nominees to hold office at the pleasure of SEBI</b> The nominees nominated by SEBI shall not be subject to retirement and shall hold office at the pleasure of SEBI, which may at any time require such a nominee to relinquish his office, and may nominate another person in his place. Such nominees shall not be required to hold any share qualification.
310.			<b>Vacancy</b> Any vacancy caused by the resignation, removal, death or otherwise of a SEBI nominee may be filled up by SEBI as soon as possible.
311.			<b>Report to SEBI</b> SEBI may issue to its nominees such directions and instructions as it may consider necessary with regard to the affairs of the Exchange and may also require them to report to SEBI in that behalf from time to time.
			<b>SELECTION OF EXECUTIVE DIRECTOR</b>
312.			<b>Selection Through Independent Process</b> Selection of the Executive Director of the Exchange shall be made independently by a Selection Committee constituted by the Governing Board with the prior approval of SEBI.
313.			<b>Terms and Conditions of Appointment</b> The Governing Board shall prescribe the professional qualifications, experience, age limit, remuneration and terms and conditions of service for the post of the Executive Director and such other norms and procedures as it may decide for selection of the Executive Director. The recommendations of the Selection Committee for appointment of a person as the Executive Director of the Exchange shall be forwarded, in order of preference, to the Governing Board of the Exchange and the Governing Board of the Exchange shall in turn forward it to SEBI for prior approval of SEBI not later than fifteen calendar days from the date of submission of the recommendation by the Selection Committee to the Governing Board of the Exchange. SEBI shall communicate to the Exchange as soon as possible its approval to the name of the candidate to be appointed as the Executive Director of the Exchange.

314.			<p><b>Appointment and Tenure</b> The Executive Director shall be appointed by the Governing Board ordinarily for a tenure as may be decided by the Governing Board and he shall not be liable to retire by rotation. The Governing Board may appraise performance of the Executive Director at the time of renewal of his term of appointment. The term of appointment of the Executive Director will normally be renewed subject to super-annuation upon completion of seventy years of age. In case of non-renewal of the terms of the Executive Director, prior approval of SEBI will be required to be obtained by the Governing Board and communicated to the Executive Director at least 60 days before the expiry of the terms.</p>
315.			<p><b>Explanation from the Executive Director</b> The Governing Board of the Exchange may call for an explanation from the Executive Director in respect of any alleged acts of commission or omission of a grave nature on the part of the Executive Director, if the Governing Board adopts a resolution in that behalf, supported by three-fourths majority of the strength of the Governing Board. The findings of the Governing Board, along with its recommendations, shall be forwarded to SEBI for such action, as it may deem fit, after giving to the Executive Director a reasonable opportunity of being heard. The decision of SEBI shall be final and binding.</p>
316.			<p><b>Executive Director not to engage in Any Business</b> The person appointed as the Executive Director shall not engage himself in any business, directly or indirectly, during the period he holds the office of the Executive Director nor shall he be a party to or be involved in any speculative dealing on the Exchange through or with any Member/Trading Member of the Exchange. If a Member/Trading Member of any stock exchange is appointed as the Executive Director, he shall resign his Membership/Trading Membership forthwith.</p>
			<p><b>PROCEDURE FOR ELECTION OF ELECTED MEMBERS</b></p>
317.			<p><b>Notice of Election</b> At least thirty calendar days previous notice of any election by ballot of the Governing Board shall be given by the Executive Director on behalf of the Governing Board and posted on the notice board and broadcast through the automated trading system of the Exchange</p>
318.			<p><b>Proposal of Candidates</b> For the purpose of filling up vacancies on the Governing Board, a retiring Governing Board member or any other member shall subject to the provisions of the Companies Act, 1956 be eligible for appointment to the office of the Governing Board member at any Annual general meeting if he or some other member intending to propose him has not less than 14 days before the date of the meeting, left at the office of the exchange a notice in writing under his hand signifying his candidature for the office of the Governing Board member or the intention of such member to propose as a candidate for that office as the case may be.</p>
319.			<p><b>Notice of candidates</b> The notice so served under the Article 317 shall be posted on the Notice Board or broadcast through the automated trading system at least seven days prior to the date of the Annual General Meeting.</p>
320.			<p><b>Proposal of candidates at Meeting</b> The names of the candidates from whom notice have been received and posted in the manner as aforesaid, shall be put up to the meeting for election and shall be proposed and seconded by the members individually</p>
321.			<p><b>Ballot When Necessary</b> When the number of candidates thus proposed and seconded exceeds the number of vacancies to be filled up, then the election shall take place by ballot.</p>
322.			<p><b>Ballot When not Necessary</b> When the number of candidates, seeking election does not exceed the number of vacancies to be filled-up, no ballot shall be necessary and such candidates shall be deemed duly elected and if there be still a vacancy, the Governing Board elected to office shall fill up the same</p>

323.			<b>Scrutineers</b> The Chairman shall appoint three members of the Exchange, not being members of the Governing Board or candidates for election, to act as scrutineers at elections and such scrutineers shall report the result of the ballot to the Chairman. The Chairman shall, immediately upon receiving the report from the Scrutineers, cause to issue a notice and broadcast through the automated trading system of the Exchange, announcing the results of election for information of the members.
324.			<b>Voting</b> No member shall be entitled to give to any candidate in whose favour the vote is cast, less number of votes than such member has on the basis of the number of shares held by him. A member however, shall not be entitled to give lesser number of votes than the number of vacancies to be filled in.
325.			<b>Elected Candidates</b> The candidates receiving the highest number of votes shall be declared elected to the vacancies to be filled up and in case of an equality of Votes in respect of the last vacancy to be filled in, the election shall be decided by the Scrutineers by drawing lots in the presence of the candidates concerned.
326.			<b>Holding of Election</b> The election shall take place either at the Annual General Meeting or at such other time as may be fixed by the Chairman of the said meeting, and in the latter case the Annual General Meeting shall transact all other business except holding of the election and shall stand adjourned for the election to such time as may be fixed by the Chairman.
327.			<b>Consent to act as Governing Board member</b> A member who is not a retiring Governing Board Member, shall not be capable of being appointed a Governing Board member unless he has by himself or by his agent authorised in writing signed and filed with the Registrar of Companies, a consent in writing to act as such member.
328.			<b>Right to seek re-election</b> Members retiring from the Governing Board shall have the right to seek re-election.
329.			<b>Casual vacancy</b> Vacancies occurring on the Governing Board owing to death or retirement before the expiry of term of office or resignation during the tenure, may subject to any regulation in the Articles of Association, be filled up by the Governing Board. But the members so appointed shall retire at the following Annual General Meeting irrespective of rotation.
330.			<b>Vacancy owing to temporary absence</b> Vacancies occurring owing to the temporary absence of a member of the Committee may be filled up temporarily by the remaining members of the Governing Board; but this will not entail retirement of the absent member or of his <i>locum tenens</i> unless it is the turn of the absent member to retire by rotation.
331.			The continuing members of the Governing Board may act notwithstanding any vacancy in their body.
			<b>Vacation of office by Governing Board members</b>
332.			The office of a member of the Governing Board shall <i>ipso facto</i> be vacated –
332.	i)	<b>Suspension of Payment</b>	if he suspends payment or is adjudicated an insolvent or if a petition be filed by him for winding up his affairs or those of his partnership firm or if he or his partnership firm or a company, being a Member/Trading Member in which he is a designated director, compounds with creditors, or is declared a defaulter; or
332.	ii)	<b>Unsound Mind</b>	if he be found lunatic or becomes of unsound mind or incapable of efficient attention to business; or
332.	iii)	<b>Absence</b>	if he absents himself from all the meetings of the Governing Board for a continuous period of two months without leave of absence from the Governing Board; or

332.	iv)	<b>Death, Suspension or Expulsion</b>	if he dies or ceases to be a Member/Trading Member of the Exchange or is suspended or expelled from the Exchange or registration granted by SEBI is suspended or cancelled by SEBI; or
332.	v)	<b>Criminal Prosecution</b>	if he is facing the charges of criminal offence and the relevant authority has filed criminal prosecution against him; or
332.	vi)	<b>Not Complying With the Arbitration Award</b>	if an arbitration award has been given against him and if he does not comply with the arbitration award; or
332.	vii)	<b>Unresolved Investor Complaints</b>	if there are complaints of investors pending against him for more than a month for non-receipt of payment for the securities sold and/or non-receipt of securities for the amount paid and no effective step is taken by him to resolve such complaints by way of handing over the securities or handing over due payment or he fails to furnish necessary written explanation or statement of accounts to the satisfaction of the Disciplinary Action & Investors' Service Committee where the total amount in respect of the complaints works out to be Rs. One lakh or more; or
332.	viii)	<b>Not Maintaining Base Minimum Capital</b>	if he does not maintain a base minimum capital with the Exchange and/or is not carrying on business; or
332.	ix)	<b>Resignation</b>	if he by notice, in writing, to the Governing Board resigns his office by handing over such letter to the Executive Director ; or
332.	x)		if he ceases to hold the share qualification, if any required of him by the Articles of Association; or
332.	xi)		if he is adjudicated to be an insolvent; or
332.	xii)		if he be convicted by a court in India of any offence and is sentenced in respect thereof to imprisonment for not less than six months; or
332.	xiii)		if he or any firm in which he is a partner or any private company of which he is a director, accepts a loan or any guarantee or security for a loan from the Exchange in contravention of Section 295 of the Companies Act, 1956; or
332.	xiv)		if he acts in contravention of Section 299 of the Companies Act, 1956; or
332.	xv)		if he becomes disqualified by an order of the Court under section 203 of the Companies Act, 1956; or
332.	xvi)		if he is removed in pursuance of section 284 of the Companies Act, 1956; or
332.	xvii)		if he ceases to be a Member/Trading Member of the Exchange.
333.			<b>Expulsion From the Governing Board</b> The Governing Board may, by an ordinary resolution, remove from the Governing Board any elected member of the Governing Board, (not being a member appointed by the Central Government under section 408 of the Companies Act,1956), who, in its discretion, is deemed to be guilty of improper conduct as provided in the Articles, Bye-laws and Regulations of the Exchange or, who, in its opinion, has a direct or indirect interest (except brokerage) in any bull or bear syndicate or combination formed to rig up or depress the market or is deemed to be a partner or sub-partner or responsible representative of such syndicate or combination.
334.			<b>Conversion Not Requiring Vacation</b> The office of a member of the Governing Board shall not be deemed to be vacated in case the member exercises the right of nomination in favour of a company in which he, alongwith his family members, continues to exercise control and of which he shall be a designated director. Such designated director

			shall continue to be a member of the Governing Board until the remaining period of the term.
335.			<b>Conversion not to affect eligibility for becoming member of the Governing Board</b> In case of conversion of individual Member/Partnership firm into a corporate member and if the individual/Partner(s) is/are wholetime Director(s) of the Corporate, then the previous experience of such member(s) will be considered for eligibility norms to become member of the Governing Board.
336.			<b>Filling up of Casual Vacancies – Elected Members</b> If a casual vacancy arises in the office of the elected member of the Governing Board by reason of death, resignation, removal, expulsion or absence or any other reason mentioned herein, such vacancy may be filled up, if the Governing Board so decides, by co-option of a duly qualified member/trading member of the Exchange.
			<b>Powers of surviving members on the Governing Board</b>
337.			<b>Where Quorum exists</b> The surviving or continuing members of the Governing Board, notwithstanding any vacancy in their number, may act provided there exists a prescribed quorum.
338.			<b>To Act to Make Quorum</b> If the surviving or continuing members of the Governing Board do not constitute a prescribed quorum, they shall exercise the powers of the Governing Board only for the purpose of filling up such vacancies in accordance with the Articles of the Exchange applicable thereto.
339.			<b>Resignation of all Elected Members</b> In the event of all the elected-members of the Governing Board resigning all together, the non-elected members shall continue to hold office and exercise all the powers vested in the Governing Board, provided their number constitutes a prescribed quorum, and until the succeeding members are elected by ballot to the Governing Board in accordance with the Articles of the Exchange.
340.			<b>Register containing names &amp; addresses of Governing Board members to be maintained</b> The Exchange shall keep at its office a Register containing names, addresses and occupation of the members of the Governing Board and shall send to the Registrar of Companies, a return in the prescribed form containing particulars specified in the said register and shall from time to time notify the Registrar any change that takes place in such members of the Governing Board as required by section 303 of the Companies Act, 1956.
			<b>CHAPTER - IX</b>
			<b>MEETINGS</b>
			<b>Meetings of members</b>
			<b>ANNUAL GENERAL MEETING</b>
341.			<b>When and who may Convene</b> The President may convene a meeting of the members of the Exchange, to be called the Annual General Meeting of the Exchange, any time after the financial year of the Exchange is over but not later than the expiry of six months reckoned from the date of close of the financial year, on the basis of authorisation by the Governing Board, provided where the Income & Expenditure Account and Balance Sheet are not ready for any special reasons or circumstances, the meeting may be conducted within such extended period as may be granted by the Registrar of Companies under the provision of the Companies Act, 1956 subject to obtaining prior approval from SEBI.
342.			Every such Annual general Meeting shall be called for a time during the business hours on a day that is not a public holiday and shall be held either at the Registered Office of the Exchange or at some other place within the city of

			the Registered Office of the Exchange and the notice calling the meeting shall specify it as the Annual General Meeting.
			<b>EXTRA-ORDINARY GENERAL MEETINGS</b>
343.			All meetings of members of the Exchange other than Annual General Meeting shall be called Extra-ordinary General Meetings.
344.			The Chairman may at any time convene an Extra-ordinary general meeting of the Exchange as authorised by the Governing Board. However, the Governing Board may, whenever they think fit and they shall on the requisition of such number of members of the Exchange as is specified in Article 344(iii) below, forthwith proceed duly to call an Extraordinary General Meeting of the Exchange.
344	i)		The requisition shall set out matters for the consideration of which meeting is to be called, shall be signed by the requisitionists and shall be deposited at the office.
344.	ii)		The requisition may consist of several documents in like form each signed by one or more requisitionists.
344.	iii)		The number of persons entitled to requisition a meeting in regard to any matter shall be such number of them as hold at the date of the deposit of the requisition not less than 1/10 of such of the paid up capital of the Exchange as at that date carries a right of voting in regard to a matter.
344.	iv)		Where two or more distinct matters are specified in the requisition, the provisions of Article 344(iii) shall apply separately in regard to each such matter and the requisition shall accordingly be valid only in respect of matters in regard to which condition specified in that sub-clause is fulfilled.
344.	v)		If the Governing Board does not within 21 days from the date of the deposit of a valid requisition in regard to any matter, proceed to duly call a meeting of the consideration of those matters on a date not later than 45 days from the date of the deposit of the requisition, the meeting may be called-
344. (v)	a)		by the requisitionists themselves, or
344. (v)	b)		by such of the requisitionists as represent either a majority in value of the paid-up share capital held by all of them or not less than 1/10 of such paid up share capital of the Exchange as is referred to in Article 344(iii), whichever is less.
344.	vi)		A meeting under Article 344(v) by the requisitionists or any of them-
344.(vi)	a)		shall be called in the manner as nearly as possible as that in which meetings are to be called by the Governing Board, but
344.(vi)	b)		shall not be held after the expiration of three months from the date of the deposit of the requisition.
345.			<b>No Alteration of Governing Board Resolution in General meeting</b> It shall not be competent to the Exchange in general meeting to add to, alter, vary or rescind any resolution passed by the Governing Board under the powers or authority conferred upon it by the provisions of any Article or Bye-law of the Exchange for the time being in force and all such resolutions shall, when they come into force, be deemed valid and binding upon all members of the Exchange, partners, designated directors in the case of a company, approved users, authorised representatives, agents, sub-brokers, remisiers, employees and all persons dealing with or through them.
346.			<b>Notice of Meetings</b> Subject to the provisions of this Article, General Meetings shall be convened on not less than 21 days' clear notice to the members and every other person entitled to receive such notice specifying the place, date and hour of meeting, with a statement of business to be transacted at the meeting. An Annual General Meeting may be called after giving shorter notice than that specified if consent is accorded thereto-

			<p>i) in the case of an Annual general meeting, by all the members entitled to vote thereat; and</p> <p>ii) in the case of any other meeting, by the consent of members of the Exchange holding not less than 95% of such paid-up capital as gives a right to vote at the meeting.</p> <p>No business may be transacted at the general meeting which is beyond the scope of the notice convening the meeting or of the statement of business accompanying such notice.</p>
347.			<p><b>Accidental omission to give notice</b>  Accidental omission to give notice, or non-receipt of notice by any member or other person to whom it should be given shall not invalidate proceedings at the Meetings.</p>
			<p><b>REQUIREMENT OF QUORUM FOR GENERAL MEETINGS</b></p>
348.			<p><b>Who shall constitute Quorum</b>  Twenty five members present in person shall be a quorum for a General meeting for all purposes. No business shall be transacted at any general meeting unless a quorum is present at the commencement of business.</p>
349.			<p><b>No Quorum – Adjournment of Meeting</b>  If within thirty minutes from the time appointed for the meeting, the quorum required, be not present, the meeting, if convened upon a requisition of members, shall stand dissolved and in any other case, it shall stand adjourned to the same time and place on the same day in the next week or if such day be a holiday, to the next business day and if, at such adjourned meeting, no such quorum be present within fifteen minutes of the time appointed for the meeting, those members present shall constitute the quorum and may transact the business for which the meeting was called.</p>
350.			<p><b>Adjournment of Meeting</b>  The Chairman of a general meeting may, with the consent of the majority of the members present, adjourn the meeting from time to time and from place to place but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.</p>
351.			<p><b>Who may be present at Meetings</b>  Members, the President, Vice President, Elected Director, the Executive Director, Legal Advisor, Auditors, SEBI Nominees, Public Representatives and officers of the Exchange shall be entitled and any other person may, with the permission of the President be allowed to be present at a general meeting of the Exchange. A member before taking his seat shall sign his name in the book provided for the purpose.</p>
352.			<p><b>Who may not be entitled to be present at Meetings</b>  Legal heirs/legal representatives of a deceased member, a defaulter declared by the Governing Board and a member who has either been expelled by the Governing Board or who has surrendered his Membership/Trading Membership by submitting an application therefor or who has opted to offer Membership/Trading Membership to the Exchange under the buyback scheme of the Exchange by submitting an application therefor, are not entitled to be present at a general meeting of the Exchange.</p>
353.			<p><b>Clarifications at Meetings</b>  The Executive Director, Legal Advisor, Auditors, SEBI Nominees, Public Representatives and the officers of the Exchange shall be entitled to render clarification or reply to any query or question raised relating to the area of their responsibility.</p>
354.			<p><b>Members dis-entitled to be present and vote</b>  No member shall be entitled to vote at any general meeting or be reckoned in the quorum for such meeting whilst any subscription or other moneys shall be due to the Exchange nor whilst the member's name is posted on the list of defaulters under any Bye-law for the time being in force.</p>
355.			<p><b>Chairman of General Meeting</b>  The President of the Governing Board shall take the chair at every General</p>

			meeting and the President of the Governing Board need not be a shareholder of the Exchange. If there be no President or if at any meeting he be not present, then the Vice-President shall be entitled to take the chair, and within fifteen minutes of the time appointed for such meeting neither the President or the Vice-President be present or be unwilling to take the chair, the members present shall choose a member of the Governing Board to take the chair and if no member of the Governing Board be present or if all the members of the Governing Board present decline to take the chair, the members present shall choose one of the members present to take the chair.
356.			<b>Decision of Majority</b> Every question submitted to a general meeting shall be decided by a majority of the votes cast at the meeting unless a specified majority is required under the Companies Act or by the Articles and Bye-laws of the Exchange for the time being in force, provided that if a fraction appears when so determining the specified majority, it shall be omitted.
357.			<b>Voting right</b> At every meeting every member present in person shall have one vote for every share held by him. PROVIDED that in case of a Corporate member, vote by a person authorised by a resolution of the Board of Directors of the Corporate member under Section 187 of the Companies Act, 1956, to any of the qualifying Directors shall have effect of the vote having been tendered by the member present in person.
358.			<b>No voting by Proxy</b> A member present in person at a General Meeting shall have one vote. No voting by proxy or by power of attorney shall be allowed.
359.			<b>When poll to be demanded</b> At any General Meeting resolutions put to the vote of the meeting shall be decided by a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded by the Chairman or by at least five members having the right to vote on the resolution and present in person or by any member or members present in person and holding not less than one-tenth of the voting power in respect of the resolution or by any member or members present in person and holding shares in the exchange conferring a right to vote on the resolution being shares on which an aggregate sum has been paid-up which is not less than one-tenth of the total sum paid up on all the shares conferring that right and unless a poll is so demanded, a declaration by the Chairman that a resolution has, on a show of hands, been carried or carried unanimously or by a particular majority or lost, and an entry to that effect in the book of the proceedings of the Exchange, shall be conclusive evidence of the fact, without proof of the number or the proportion of the votes recorded in favour of, or against, the resolution.
360.			<b>Poll</b> If a poll be demanded as aforesaid it shall be taken in such manner and at such time(not being later than 48 hours from the time when the demand was made) and place as the Chairman of the meeting directs either at once or after an interval or adjournment or otherwise and the result of the poll shall be deemed to be the result of the meeting at which the poll was demanded. In case of any dispute as to the admission or rejection of a vote and the Chairman shall determine the same and such determination made in good faith shall be final and conclusive.
361.			Any poll duly demanded on the election of a Chairman of a meeting or any question of adjournment shall be taken at the meeting and without adjournment.
362.			The demand for a Poll shall not prevent the continuance of a meeting for the transaction of the business other than the question on which a poll has been demanded.
363.			Where a poll be taken, the Chairman of the meeting shall appoint two scrutineers to scrutinise the votes given on a poll and to report thereon to the Chairman.
364.			The Chairman shall have the power at any time before the result of the poll is declared, to remove a scrutineer from office and to fill the vacancies in the



			office of scrutineers arising from such removal or from any other case.
365.			Of the two scrutineers appointed under these Articles, one shall always be a member ( not being an officer or employee of the Exchange) present at the Meeting provided such a member is available and will have to be appointed.
366.			<b>Validity of Votes</b> The Chairman of any general meeting shall be the sole judge of the validity of any vote given at such meeting.
367.			<b>Casting Vote</b> Unless otherwise provided in these Articles, every question submitted to a meeting shall be decided in the first instance by a show of hands and in case of equality of votes, the Chairman shall, both on a show of hands and at the poll have a casting vote in addition to the vote to which he may be entitled as a member.
368.			<b>Maintenance of Minutes at General Meetings</b> Minutes of the proceedings of general meetings shall be maintained under the authority of the Executive Director and such minutes shall be signed by the Chairman of the meeting and the Executive Director and be available for inspection by members at such time and place, as the Governing Board may determine and notify.
			<b>MEETINGS OF THE GOVERNING BOARD</b>
369.			<b>Frequency for holding meetings of the Governing Board</b> The Governing Board shall meet at least once in every three calendar months and the gap between any two meetings shall not be more than 90 calendar days. The Governing Board may meet for transacting business, adjourn and otherwise regulate its meetings, as it deems fit.
370.			<b>Notice of meeting to be served</b> Notice of every meeting of the Governing Board shall be given in writing to every member of the Governing board for the time being in India , at his usual address in India.
371.			A meeting of the Governing Board for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions by or under the Articles of the Exchange for the time being vested in or exercisable by the Governing Board generally.
			<b>Special /Urgent /Emergency Meetings of the Governing Board</b>
372.			<b>Special Meeting</b> The President may call a special meeting of the Governing Board.
373.			<b>Calling of a Special Meeting</b> A special meeting of the Governing Board may, at any time, be called by the Chairman or the Executive Director, or on requisition in writing, addressed to the Executive Director, by not less than one-third of members of the total strength of the Governing Board for the time being.
374.			<b>Urgent and Emergency Meetings</b> In case of urgency, an urgent meeting may be called with less than twenty-four hours' notice and in case of emergency, one hour's notice of an emergency meeting shall be deemed sufficient.
375.			<b>Notice of Special/ Urgent/ Emergency Meetings</b> A notice calling a special meeting shall state the purpose for which it is called. In the case of an urgent or emergency meeting, the notice shall state the nature of the urgency or the emergency and the business to be transacted at the meeting and no other business shall be transacted at such meeting.
376.			<b>Business when not to be stated in Notice</b> Notwithstanding anything contained in Article 375 , when the President is of the opinion that the matter is confidential or of a nature not advisable to disclose, he may direct that the notice, calling such a meeting, shall not state the business and/or the urgency or emergency of such meeting.

377.			<p><b>Quorum for Meetings of the Governing Board</b></p> <p>Unless otherwise specially provided, the quorum of the Governing Board shall be two members of the Governing Board or one-third of members of the total strength of the Governing Board, whichever is higher, present and attending the meeting of the Governing Board where at least two members shall be non-elected members. If a fraction appears when determining the quorum under any Article or Bye-law of the Exchange, such fraction shall be omitted.</p>
378.			<p>If a meeting of the Governing Board cannot be held in accordance with this Article owing to the absence of quorum then the meeting shall automatically stand adjourned till the next day at the same time and place ,or if the that day is a public holiday till the next succeeding day which is not a public holiday , at the same time and place.</p>
379.			<p><b>Interested Member Not to be included in Quorum</b></p> <p>An interested member of the Governing Board shall not be included while counting the quorum prescribed under the Articles and Bye-laws of the Exchange for dealing with the question in which the member is interested.</p>
380.			<p>The President will act as the Chairman of any meeting of the Governing Board. If at any meeting of the Governing Board, the President be not present at the time appointed for holding the same, the Vice-President will act as the Chairman of such meeting but if the Vice-President be also absent then the members of the Governing Board present shall choose one of the non- elected members to be the Chairman of such meeting.</p>
381.			<p>Subject to the provision of section 292 of the Companies Act,1956 , the Governing Board may delegate any of the powers to the President, Vice-President, Executive Director or to a committee consisting of not less than two members. The President, the Vice-President, the Executive Director or the committee in exercise of the powers so delegated shall conform to any regulation that may from time to time be imposed by the Governing Board.</p>
382.			<p>The President, or, in his absence the Vice-President, or, any one member of the Governing Board may at any time convene a meeting of the Governing Board. Notice of every meeting of the Governing Board shall be given in writing to every member of the Governing Board for the time being in India, at his usual address in India. Subject, to the provisions of the Companies Act, 1956, questions arising at any meeting shall be decided by a majority of votes and in case of equality of votes the Chairman shall have a second or casting vote.</p>
383.			<p>All acts done by any meeting of the Governing Board or by a sub-Committee or by any persons acting as member of the Committee shall, notwithstanding that it shall afterwards be discovered that there was defect in the appointment of such members of the Governing Board or persons acting as aforesaid or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and was qualified to be a member of the Governing Board.</p>
			<p><b>Governing Board Members Dis-entitled to Vote</b></p>
384.			<p>A member of the Governing Board shall not be entitled to take part in the relevant proceedings and shall not be entitled to vote-</p>
384.	i)	<b>Personal Interest</b>	<p>on any question, in which he is personally interested, directly or indirectly, the Chairman of the meeting being the final judge whether he is so interested or not. EXPLANATION: While considering market situations, and regulatory measures, if any, emanating therefrom, all elected members shall be required to declare whether or not they are interested, directly or indirectly, and those elected members who are so interested shall neither be entitled to participate in the proceedings nor shall they be entitled to vote; or</p>
384.	ii)	<b>Member of Committee</b>	<p>on the final decision in respect of any inquiry or dispute on which a decision has been given by a committee of which he has been a member except that no member of the Governing Board shall be so disqualified by reason of his being or having been a member of a committee which has made prior examination or investigation of the subject under consideration for the purpose of submitting a report; or</p>

384.	iii)	<b>Absent during previous hearings</b>	on the decision in respect of any inquiry or dispute unless he has been present at every meeting of the Governing Board at which there has been a hearing of the inquiry or dispute.
385.			<b>Decision by Majority</b> Any question before the Governing Board shall be decided by a majority of the votes cast at a meeting of the Governing Board where each member, whether elected or non-elected, shall have one vote unless a majority is required by any Article or Bye-law of the Exchange for the time being in force. Any fraction that appears when determining the required majority shall be omitted.
386.			<b>Special Majority Resolution</b> To pass a Special Majority Resolution , a notice of such a resolution must be issued at least 7 days prior to the date of the meeting. The resolution passed therein must be supported by not less than two-thirds of the members present at the meeting.
387.			<b>Resolution by circulation</b> No resolution shall be deemed to have been duly passed by the Governing Board by circulation, unless the resolution has been circulated in draft, together with necessary papers, if any to all the members of the Governing Board then in India(not being less in number than the quorum fixed for a meeting of the Governing Board) and to all other members of the Governing Board at their usual addresses in India, and has been approved by such of the members of the Governing Board as are then in India, or by a majority of such of them, as are entitled to vote on the resolution.
388.			<b>Adjournment of Governing Board Meeting</b> Any meeting of the Governing Board may be adjourned from time to time and there shall be no objection to any resolution passed or any decision arrived at such meeting that all or any of the members of the Governing Board present thereat were not present at the former meeting or meetings or that any of those present at any former meeting or meetings were not present at any adjourned meeting or meetings.
389.			<b>Proceedings</b> The Governing Board shall, unless otherwise provided, regulate and determine the manner and form in which its proceedings shall be conducted. Except as otherwise specially provided in the Articles of the Exchange, it may, with the consent of the Chairman, consider and take action upon any matter at any ordinary or special or urgent or emergency meeting even though such matter has not been referred to in the notice of such meeting.
390.			<b>Governing Board Need Not Give Reasons</b> Save as provided in the Articles and Bye-laws of the Exchange, it shall not be necessary for the Governing Board to give any reason for or to record in its minutes the reasons or circumstances of any proceedings or decision and all proceedings and the information obtained in connection therewith shall be deemed confidential.
391.			<b>Members/Trading Members and others to Appear Before Meetings</b> Members/Trading Members , their partners, designated directors in the case of a company , approved users, agents, sub-brokers, remisiers and employees shall appear before such meetings of the Governing Board or of any committee appointed by it, or before the Executive Director and they shall give all such information and produce all such records as may be in their possession relating to any matter before the Governing Board or such committee or the Executive Director.
392.			<b>Minutes</b> Minutes of the proceedings of the Governing Board shall be maintained under the authority of the Executive Director. Such minutes signed by the Chairman of the meeting and the Executive Director shall be deemed confidential, and shall not be available for inspection by Members/Trading Members of the Exchange. It shall be obligatory on the part of the members of the Governing Board neither to disclose nor to make available in any form the agenda papers and minutes of the proceedings of the Governing Board to any Member/Trading Member or any other person.

			<b>MEETINGS OF STANDING COMMITTEES</b>
393.			<b>Who May Convene And When</b> The meetings of any one or more of the Standing Committees shall be convened by the Executive Director to transact the matters submitted for its consideration or as may be directed by the Executive Director any time. Such meetings shall normally be convened within fifteen calendar days of reference made for any committee.
394.			<b>Quorum</b> A committee may from time to time determine its own quorum provided that such quorum shall not be less than two members of such committee where at least one member of the committee shall be a non-elected member.
395.			<b>Voting</b> Any question before a committee shall be decided by a majority of the votes cast at a meeting and in case of an equality of votes, the Chairman of the Committee shall have a casting vote in addition to the vote to which he is entitled.
396.			<b>Proceedings</b> Unless otherwise provided or directed, a committee shall conduct and regulate its proceedings in the same manner as the Governing Board.
397.			<b>Leave of absence to Committee members</b> A committee may give any member thereof leave of absence for a period not exceeding four months and may declare the office of such member temporarily vacated, in which event, the vacancy shall be filled by the Governing Board by co-opting its member, with the prior approval of SEBI, and such member shall hold office until the original member intimates to the Exchange of his being available for the meeting of the respective committee.
398.			<b>Custody of Minutes</b> The Executive Director shall cause minutes of the meetings of all the meetings of General Body, Governing Board or any committee, whether standing or otherwise properly recorded and maintained. The minutes shall be initialled on each page and signed in full on the last page by both the Chairman of the respective meetings and the Executive Director.
			<b>CHAPTER - X</b>
			<b>DISCIPLINARY PROCEEDINGS</b>
399.			<b>Jurisdiction for Taking Disciplinary Action</b> A member / Trading Member shall be liable to expulsion or suspension or withdrawal of all or any Membership/Trading Membership rights and/or to payment of fine and/or to be censured, reprimanded or warned for contravening, disobeying, disregarding or wilfully evading any of the Articles, Bye-laws and Regulations of the Exchange or any of the resolutions, orders, notices, directions, decisions or ruling thereunder of the Exchange or the Governing Board or the Disciplinary Action Committee or the Executive Director or any other committee or any officer of the Exchange or for any disreputable or fraudulent transactions or dealings with any person, whether a Member/Trading Member or not, or for any conduct, proceeding or method of business which is considered to be unbecoming of a Member/Trading Member of the Exchange or inconsistent with just and equitable principles of trade or with the provisions incorporated in the SEBI (Stock Brokers and Sub-Brokers) Rules and Regulations, 1992 and any amendments made thereto.
400. 400.	1)		<b>The Governing Board May Expel Any Member/Trading Member: Upon Recommendation by the Disciplinary Action Committee</b> If, in the opinion of the Disciplinary Action Committee, any Member/Trading Member has violated or committed such acts of commissions and/or omissions which are so grave in their nature and consequences that such exemplary action is warranted in the interest of the investors or the trade or the Exchange.

		<p>PROVIDED, however, the Governing Board shall have discretion to expel a Member/Trading Member even if the Disciplinary Action Committee forms an opinion that the acts of commission and/or omission are not so grave in their nature and consequences as to warrant expulsion. The Governing Board, while so deciding, shall record the reasons for expulsion in writing.</p> <p>PROVIDED further that the Governing Board, in its absolute discretion, may decide to award a lower degree of punishment, even if the Disciplinary Action Committee is of the opinion that the acts of commission and / or omission by the member / Trading Member are so grave in their nature and consequences as to warrant expulsion of the member / Trading Member and while so deciding the Governing Board shall record its reasons in writing.</p>
400.	2)	<p><b>For Admission Under Misrepresentation</b></p> <p>If, in the opinion of the Governing Board, a Member/Trading Member has in or at the time of his application for admission to Membership/Trading Membership or during the course of the inquiry made by the Governing Board preceding his admission:</p>
400. (2)	a)	made any wilful misrepresentation; or
400. (2)	b)	suppressed any material information required of him as to his character and antecedents; or
400. (2)	c)	has directly or indirectly given false particulars or information or made a false declaration; or
400. (3)		In the case of a company, which is a Member/Trading Member, if the Governing Board is satisfied that:-
400. (3)	a)	At the time of submission of the application for admission, the company was not eligible for admission under the provisions of Articles 11(ii) and admission had been secured by wilful misrepresentation; or
400. (3)	b)	At any time after admission, the company has ceased to maintain or have the characteristics of eligibility under the provisions of Articles 101(vi) and 101(vii); or
400 (3)	c)	The company contravenes or commits a breach of any of the provisions of these Articles.
400 (4)		The expulsion of a Member/Trading Member being a company as aforesaid under Article 400(3) shall also operate as expulsion of each designated director of such company which is a Member/Trading Member of the Exchange.
401.		<p><b>Expulsion by Special Majority Resolution Only</b></p> <p>Expulsion of a member / Trading Member of the Exchange by the Governing Board shall be valid only if the Governing Board adopts a special majority resolution as per Article 386 for expelling the member / Trading Member.</p>
402.		<p><b>Expulsion rules to Apply</b></p> <p>When a Member/Trading Member ceases to be such under the provisions of these Articles otherwise than by death, resignation or declaration of a defaulter, it shall be as if such Member/Trading Member has been expelled by the Governing Board and in that event all the provisions relating to expulsion contained in these Articles shall <i>mutatis mutandis</i> apply to such member/ Trading Member in all respects.</p>
403.		<p><b>Explanation Before Expulsion</b></p> <p>A Member/Trading Member shall be entitled to be summoned before the Disciplinary Action Committee and afforded an opportunity for explanation before being recommended for expulsion to the Governing Board and in such a case, the decision of the Governing Board on the findings of the Disciplinary Action Committee shall be final and conclusive and come into force forthwith.</p>

404.			<p><b>Consequences of Expulsion</b></p> <p>The expulsion of a Member/Trading Member shall have the following consequences:</p>
404.	i)	<b>Membership/ Trading Membership Rights Forfeited</b>	The expelled Member/Trading Member shall forfeit to the Exchange all rights and privileges as a Member/Trading Member of the Exchange including any right to the use of or any claim upon or any interest in any property or funds of the Exchange or of the Settlement Guarantee Fund of the Exchange but any liability of any such Member/Trading Member to the Exchange or to the Settlement Guarantee Fund of the Exchange or to any other Member/Trading Member of the Exchange shall continue and remain unaffected by his expulsion.
404.	ii)	<b>Lapse of Right of Nomination</b>	The right of nomination shall <i>ipso facto</i> vest in the Exchange and shall not be exercisable by the expelled Member/Trading Member.
404.	iii)	<b>Office Vacated</b>	The expulsion shall create a vacancy in office or position, if any, held by the expelled Member/Trading Member.
404.	iv)	<b>Rights of Creditors Unimpaired</b>	The expulsion shall not affect the rights of the Members/Trading Members who are creditors of the expelled Members/Trading Members.
404.	v)	<b>Fulfilment of Contracts</b>	The expelled Member/Trading Member shall be bound to fulfill transactions outstanding at the time of his expulsion and it may, with the permission of the Executive Director or the Disciplinary Action Committee, close such outstanding transactions with or through a member/ Trading Member.
404.	vi)	<b>Members/Trading Members Not to Deal</b>	No Member/Trading Member shall transact business for or with or share brokerage with the expelled Member/Trading Member except with the prior permission of the Governing Board.
405.			<p><b>Penal Actions by the Disciplinary Action Committee</b></p> <p>The Disciplinary Action Committee may take any one or more of the following actions against any Member/Trading Member:</p>
405.	i)		censure and/or warn any Member/Trading Member, and/or ;
405.	ii)		impose a fine upon any member / Trading Member, and / or;
405.	iii)		withdraw any of the membership / Trading Membership rights of a member / Trading Member, and/ or;
405.	iv)		suspend the membership / Trading Membership of any Member/Trading Member for a specific period or for a period contingent on the performance of a particular act, and/or
405.	v)		if he be guilty of contravention or non-compliance of any of the provisions of the Articles, Bye-Laws and Regulations of the Exchange or of any resolutions, orders, notices, directions or decisions or rulings of the Exchange or of the Governing Board or of the Disciplinary Action Committee or of any other committee or of the Executive Director or of any officer of the Exchange authorised in that behalf or of any misconduct, unbusinesslike conduct or unprofessional conduct as provided herein, proceeding or method of business which the Disciplinary Action Committee in its absolute discretion deems inconsistent with just and equitable principles of trade or detrimental to the interests of the Exchange or prejudicial or subversive to its objects and purposes.
406.			<b>Explanation Before Suspension</b>

			A member / Trading Member shall be entitled to be summoned before the Disciplinary Action Committee and afforded an opportunity for explanation before being suspended but in all such cases the findings and the decision of the Disciplinary Action Committee on such findings shall be final and conclusive and shall come into force forthwith.
407.			<b>Consequences of Suspension</b> The suspension of a Member/Trading Member shall have the following consequences:
407.	i)	<b>Suspension of Membership/ Trading Membership Rights</b>	The suspended Member/Trading Member shall, during the period of his suspension, be deprived of and excluded from all the rights and privileges of Membership/Trading Membership, including the right to attend and/or vote at any meeting of the Exchange, but he may be proceeded against by the Disciplinary Action Committee or the Executive Director for any contravention or non-compliance of any of the provisions of the Articles, Bye-laws and Regulations of the Exchange by him either before or after his suspension and the Disciplinary Action Committee or the Executive Director shall not be debarred from taking cognisance of and adjudicating on or dealing with any claim made against him by any other Member/Trading Member and his clients.
407.	ii)	<b>Rights of Creditors Unimpaired</b>	The suspension shall not affect the rights of the Members/Trading Members who are creditors of the suspended Member/Trading Member.
407.	iii)	<b>Fulfilment of Contracts</b>	The suspended member / Trading Member shall be bound to fulfil contracts outstanding at the time of his suspension.
407.	iv)	<b>Further Business Prohibited</b>	The suspended Member/Trading Member shall not during the term of his suspension make any transaction through the automated trading system of the Exchange or transact any business with or through a Member/Trading Member. He may, however, with the prior permission of the Executive Director close out, with or through a Member/Trading Member, the transactions outstanding at the time of his suspension.
407.	v)	<b>Members/Trading Members Not to Deal</b>	No member / Trading Member shall transact business for or with or share brokerage with a suspended member / Trading Member during the term of his suspension except with the prior permission of the Executive Director.
408.			<b>Right to impose penalties</b> The Disciplinary Action Committee shall have the power to determine the penalties that may be imposed for contravention and non-compliance of any of the provisions of the Articles, Bye-laws and Regulations of the Exchange or of any resolution, order, notice, direction, decision or ruling thereunder of the Exchange, or of the Governing Board, or of the Disciplinary Action Committee, or of any other committee, or of the Executive Director, or of any officer of the Exchange authorised in that behalf.
409.			<b>Imposition of Penalties</b> The penalty of suspension, withdrawal of all or any of the Membership/Trading Membership rights, fine, censure or warning may be inflicted singly or conjointly by the Disciplinary Action Committee.
410.			<b>Commutation</b> The Disciplinary Action Committee may, either suo moto or on a written representation made by the aggrieved Member/Trading Member, commute the penalty imposed by it on such terms and conditions as it deems fair and equitable.
411.			<b>Failure to Pay Fines and Penalties</b> If a Member/Trading Member fails to pay any fine or penalty imposed on him within such period as prescribed from time to time by the Disciplinary Action Committee or the Executive Director, as the case may be, after notice in writing has been served on him by the officer authorised in that behalf, he may be

			suspended by the Disciplinary Action Committee or the Executive Director until he makes payment and if within a further period as may be prescribed from time to time, he fails to make such payment, the Disciplinary Action Committee may recommend to the Governing Board for his expulsion.
412.			<b>Re-consideration/Review</b> Subject to the provision of the Securities Contracts (Regulation) Rules, 1957, the Disciplinary Action Committee may, of its own motion or on a written representation made by the aggrieved Member/Trading Member, reconsider and may rescind, revoke or modify its resolution, withdrawing all or any of the Membership/Trading Membership rights or fining, censuring or warning any Member/Trading Member. In a like manner, the Disciplinary Action Committee may rescind, revoke or modify its resolution suspending any Member/Trading Member.
413.			<b>Disciplinary Actions by the Executive Director</b>  The Executive Director may take any one or more of the following disciplinary actions against any Member/Trading Member:
413.	i)	<b>Disablement / De-activation Until Compliance of Requirements</b>	Whenever a Member/Trading Member fails to provide the base minimum capital/additional base capital and/or margin money, the Executive Director or any officer authorised in that behalf shall cause to disable/deactivate forthwith the trader work station of the Member/Trading Member concerned. The disablement/deactivation of the trader work station of the member / Trading Member shall continue until such time the Member/Trading Member complies with the requirement of depositing such amount towards base minimum capital / additional base capital and/or margin money.
413.	ii)	<b>Action Not Subject to Appeal</b>	The action under Article 413(i) shall come into force forthwith and shall be final, binding and conclusive and such action shall not be subject to any appeal before any authority.
414.			<b>Exclusive powers of Executive Director in Disciplinary Matters</b>  The Executive Director shall have exclusive powers in matters, which concern –
414.	i)		Disciplining of a Member/Trading Member in all aspects of trading and settlement of member's/Trading Member's activities on the Exchange and in relation to any or all of his business transactions in securities,
414.	ii)		The settlement of all transactions in securities entered into by him with other Members/Trading Members of the Exchange and with Members/Trading Members of other stock exchanges with particular reference to and including transactions of the Member/Trading Member with his clients,
414.	iii)		Enforcement of the Articles, Bye-laws and Regulations of the Exchange in such matters,
414.	iv)		Imposition of various types of margins, including special margins on scrips,
414.	v)		Deactivating the member's/Trading Member's trader work station/s for non-payment of the margin money and/or ad-hoc margin money and amounts payable on account of settlement not deposited with the Exchange/Clearing House,
414.	vi)		Suspension of scrips from trading and duration thereof,
414.	vii)		Market surveillance including suspension of trading session,
414.	viii)		Expunging the market quotations,



414.	ix)		The authority and the power to impose penalty not exceeding Rs. One lakh or such higher sum as may be decided by the Governing Board from time to time for which the Governing Board / Disciplinary Action Committee of the Exchange may lay down a schedule of penalties for contravention of the various provisions in the Articles, Byelaws and Regulations of the Exchange or any of the resolutions, orders, notices, directions, decisions or rulings thereunder and contravention of other relevant statutory provisions, in proportion to the gravity of the offences, and
414.	x)		Suspension of Member/Trading Member from doing business for a period not exceeding seven days at a time, in case of violation of any of the Articles, Bye-laws and Regulations of the Exchange and/or the requirements specified by the Governing Board / SEBI from time to time and/or for non-compliance of any of his directions, orders, etc., after recording the reasons in writing.
415.			<b>Appeal to the Governing Board</b> Any Member/Trading Member aggrieved by any direction or order of the Executive Director imposing on him any penalty by way of fine or suspension may prefer an appeal to the Governing Board in writing within seven calendar days of such decision being communicated in writing to such aggrieved Member/Trading Member and the Governing Board may, after calling for the records of the case, confirm, modify or set aside the order, recording its findings accordingly. Where the order of the Executive Director is either modified or set aside, the Governing Board shall cause to inform SEBI of such decision of the Governing Board within seven calendar days of the decision of the Governing Board.
416.			<b>Authority to call for information</b> The Executive Director or any officer authorised by the Executive Director in that behalf may suo moto initiate such measures as are necessary and are incorporated herein so as to obtain adequate and material information, details, papers and documents from Members/Trading Members and submit the observations arising therefrom to facilitate the Disciplinary Action Committee/Governing Board to take appropriate decision/action as provided herein.
417.			<b>Withdrawal/Suspension of Admission and Re-admission to Dealings on the Exchange</b> Subject to the provisions of the Securities Contracts (Regulation) Act, 1956 and the Rules made thereunder, the Executive Director may withdraw admission to dealings on account of redemption or conversion or liquidation or merger or suspend at any time the admission to the dealings on the Exchange granted to any security as provided in the Bye-laws and Regulations of the Exchange and may readmit the security to dealings on the Exchange as provided therein.
418.			<b>Reconsideration/Review</b> Subject to the provisions of the Securities Contracts (Regulation) Rules, 1957, the Executive Director may, on his own motion or on a written representation made by the aggrieved Member/Trading Member/ aggrieved company, reconsider and rescind, revoke, or modify his decision or a decision taken by any officer of the Exchange who has been delegated the powers under the Articles and / or Bye-laws of the Exchange.
419.			<b>Causes requiring Disciplinary Action</b> In particular and without in any way limiting or prejudicing the generality of the provisions contained in these Articles, a Member/Trading Member shall be liable to expulsion or suspension or withdrawal of all or any of his Membership/Trading Membership rights and/or to payment of a fine and/or to be censured, reprimanded or warned for violation of any of the provisions contained in SEBI (Prohibition of Fraudulent and Unfair Trade Practises Relating to Securities Market) Regulations, 1995 or for any misconduct, unbusinesslike conduct or unprofessional conduct .

420.			<p><b>Misconduct</b></p> <p>A Member/Trading Member shall be guilty of misconduct for any of the following acts of commissions and/or omissions:</p>
420.	i)	<b>Fraud</b>	If he commits a fraud or a fraudulent act, which, in the opinion of the Disciplinary Action Committee, renders him, unfit to be a Member/Trading Member.
420.	ii)	<b>Commission of an Offence</b>	If he commits an offence which is punishable with imprisonment for a minimum period of one month.
420.	iii)	<b>Violation</b>	If he has violated/contravened provisions of the Securities Contracts (Regulation) Act, 1956 and the rules made thereunder, the Securities and Exchange Board of India Act, 1992 and the Rules & Regulations made thereunder, directives, orders, guidelines, notices or circulars issued by SEBI from time to time or of any Rule, Bye-law or Regulation of the Exchange governing the activities, business and operations of the Exchange in particular, and of the securities business in general.
420.	iv)	<b>Improper Conduct</b>	If, in the opinion of the Disciplinary Action Committee, he is guilty of dishonourable or disgraceful or disorderly or improper conduct at the Exchange or before the Governing Board, any committee of the Exchange, the Executive Director or any officer of the Exchange.
420.	v)	<b>Aiding and/or Abetting the Breach of Articles, Bye-laws and Regulations</b>	If he abets or shields or assists or omits to report any Member/Trading Member whom he has known to have committed a contravention or noncompliance of any Rule, Bye-law and Regulation of the Exchange or of any resolution, order, notice, direction, decision or ruling thereunder of the Governing Board or of any committee or of the Executive Director or of any officer of the Exchange authorised in that behalf.
420.	vi)	<b>Failure to Submit to or Abide by Arbitration</b>	If he neglects or fails or refuses to submit to arbitration or to abide by or carry out any award, decision or order of the Governing Board or of the arbitrators made in connection with a reference under the Articles, Bye-laws and Regulations of the Exchange.
420.	vii)	<b>Failure to Testify or Give Information</b>	If he neglects or fails or refuses to submit to the Governing Board or to any committee or the Executive Director or any officer of the Exchange authorised in that behalf, such books, correspondence, documents and papers or any part thereof as may be required to be produced, or to appear and testify before or cause any of the designated partners, designated directors in the case of a company, approved users, authorised representatives, agents, sub-brokers, remisiers or employees to appear and testify before the Governing Board or any committee or the Executive Director or any officer of the Exchange authorised in that behalf to give information as may be required by such authority from time to time.
420.	viii)	<b>Failure to Submit Special Returns</b>	If he neglects, fails or refuses to submit to the Executive Director within the time notified in that behalf special returns in such form as the Executive Director may from time to time prescribe together with such other information as the Executive Director may require whenever circumstances arise which in the opinion of the Governing Board or Disciplinary Action Committee, make it desirable that such special returns or information should be furnished by any or all the Members/Trading Members.
420.	ix)	<b>Failure to Submit Accounts</b>	If he neglects, fails or refuses to submit his audited or unaudited accounts to the Exchange within such time and in such form and manner as may be prescribed by the Executive Director from time to time.
420.	x)	<b>Failure to Compare</b>	If he neglects or fails to compare his accounts with the Committee for

		<b>or Submit Accounts with in Respect of Defaulters</b>	Settlement of Claims Against Defaulters or to submit to it a statement of his accounts with a defaulter / deemed defaulter or a certificate that he has no such account or if he makes a false or misleading statement therein.
420.	xi)	<b>False or Misleading Returns</b>	If he neglects or fails or refuses to submit or makes any false or misleading statement in his clearing forms or returns required to be submitted to the Exchange under the Articles, Bye-Laws and Regulations of the Exchange.
420.	xii)	<b>Vexatious Complaints</b>	If he or his designated partners, designated directors in the case of a company, approved users, authorised representatives, agents, sub-brokers, remisiers or employees bring before the Executive Director or any officer of the Exchange a charge or complaint, which in the opinion of the Disciplinary Action Committee or the Executive Director, is frivolous, vexatious or malicious.
420.	xiii)	<b>Failure to Pay Dues and Fees</b>	If he fails to pay his subscription, fees, arbitration charges or any other money which may be due from him or any fine or penalty imposed on him within the time stipulated by the Governing Board or the Disciplinary Action Committee or the Executive Director or any officer of the Exchange authorised in that behalf.
421.			<b>Unbusinesslike Conduct</b> A Member/Trading Member shall be deemed guilty of unbusinesslike conduct for any of the following acts of commissions and/or omissions:
421.	i)	<b>Fictitious Names</b>	If he transacts his own business or the business of his clients in fictitious names or if he carries on business on the Exchange under fictitious names.
421.	ii)	<b>Fictitious Dealings</b>	If he makes a fictitious transaction or gives an order for the purchase or sale of securities the execution of which would involve no change of ownership or executes such an order with knowledge of its character.
421.	iii)	<b>Circulation of Rumours</b>	If he, directly or indirectly in any manner, circulates or causes to be circulated, any rumours.
421.	iv)	<b>Prejudicial Business</b>	If he makes or assists in making or with such knowledge is a party to or assists in carrying out any plan or scheme for the making of any purchases or sales or offers of purchase or sale of securities for the purpose of upsetting the equilibrium of the market or bringing about a condition in which prices will not fairly reflect market values:
421.	v)	<b>Market Manipulation and Rigging</b>	If he, directly or indirectly, alone or with other persons, effects series of transactions in any security to create actual or apparent active trading in such security or raising or depressing the prices of such security for the purpose of inducing purchase or sale of such security by others.
421.	vi)	<b>Unwarrantable Business</b>	If he engages in reckless or unwarrantable or unbusinesslike dealings in the market or effects purchases or sales for his client's account or for any account, in which he is directly or indirectly interested, and if such purchases or sales are excessive in view of his client's or his own means and financial resources or in view of the market for such security.
421.	vii)	<b>Compromise</b>	If he connives at a failure of a Member/Trading Member or accepts less than a full and bonafide money payment in settlement of a debt due by a Member/Trading Member arising out of a transaction in securities.
421.	viii)	<b>Dishonoured Cheque</b>	If he issues to any other Member/Trading Member or to a sub-broker or to a remisier or to an approved user or to his clients a cheque in discharge of the obligation arising out of any transaction done on the Exchange which is dishonoured on presentation for whatever reasons.

421.	ix)	<b>Failure to Carry out Transactions with Clients</b>	If he fails, in the opinion of the Disciplinary Action Committee or the Executive Director, to carry out his committed stock-broking transactions with his clients.
422.			<b>Unprofessional Conduct</b> A Member/Trading Member shall be guilty of unprofessional conduct for any of the following acts of commissions and/or omissions:
422.	i)	<b>Kerb Trading</b>	If he calls out prices or makes bids or offers or trades in the street or at the entrances to or in the vicinity of the Exchange.
422.	ii)	<b>Business in Securities in Which Dealings Not Permitted</b>	If he enters into dealings in securities in which dealings are not permitted.
422.	iii)	<b>Business for Defaulting Client</b>	If he deals or transacts business, directly or indirectly, or executes an order for a client, who has within his knowledge failed to carry out engagements relating to securities and is in default to another Member/Trading Member, unless such client shall have made a satisfactory arrangement with the Member/Trading Member who is his creditor.
422.	iv)	<b>Dealings with Clients</b>	If he deals with clients in an abnormal and unprofessional manner disregarding normal trade and market practices, customs and usages.
422.	v)	<b>Dealings with Unregistered Sub-brokers</b>	If he deals with sub-brokers who are not registered with SEBI under the Securities and Exchange Board of India (Stock Brokers and Subbrokers) Rules and Regulations, 1992.
422.	vi)	<b>Business for Insolvent</b>	If, without first obtaining the consent of the Executive Director, he, directly or indirectly, is interested in or associated in business with or transacts any business with or for any individual who has been bankrupt or insolvent even though such individual may have obtained his final discharge from a competent court.
422.	vii)	<b>Business Without Permission When Under Suspension</b>	If, without the prior permission of the Executive Director, he does business on his own account or on account of a principal, with or through a member / Trading Member, during the period when he is suspended by the Exchange.
422.	viii)	<b>Business For or With Suspended or Expelled Member/Trading Member or Defaulter</b>	If, without the prior permission of the Executive Director, he shares brokerage with or carries on business or makes any deal for or with any Member/Trading Member who has been suspended, expelled or declared a defaulter.
422.	ix)	<b>Business For Employees of Other Members/Trading Members</b>	If he transacts business, directly or indirectly, for or with or executes an order for a designated partner, or designated director in the case of a company or for an authorised representative or employee of another Member/Trading Member without the written consent of such employing Member/Trading Member.
422.	x)	<b>Business for Exchange Employees</b>	If he makes a speculative transaction in which an employee of the Exchange is directly or indirectly interested.
422.	xii)	<b>Advertisement</b>	If he advertises for business purposes or issues regularly circulars or business communications to persons other than his own clients, Members/Trading Members of the Exchange, banks and joint stock companies, or publishes pamphlets, circulars or any other literature or report or information relating to the stock markets in the public prints with his name attached unless such advertisements, circulars or other business communications, pamphlets, circulars or other literature or report or information relating to the stock markets

			and the material contained therein are in accordance with the provisions and guidelines as may be laid down by the Governing Board of the Exchange from time to time and copies thereof are submitted to the Exchange seven days before their issue.
422.	xiii)	<b>Evasion of Margin Requirements</b>	If he wilfully evades or attempts to evade or assists in evading margin requirements prescribed in the Byelaws and Regulations of the Exchange.
422.	xiv)	<b>Brokerage Charge</b>	If he wilfully deviates from or evades or attempts to evade the provisions contained in the Bye-laws and Regulations of the Exchange relating to charging and sharing of brokerage.
423.			<p><b>Responsibility/Liability of Member/Trading Member for Designated Partners, Designated Directors in the Case of a Company, Approved Users, Authorised Representatives, Agents, Sub-brokers, Remisiers and Employees</b></p> <p>A Member/Trading Member shall be fully responsible for the acts of commissions and/or omissions of his designated partners, designated directors in the case of a company or approved users, authorised representatives, agents, subbrokers, remisiers and employees and shall be liable for punishment as if such acts of commissions and/or omissions have been committed by the Member/Trading Member himself.</p>
424.			<p><b>Liquidation and/or Suspension of Business</b></p> <p>The Executive Director may require a Member/Trading Member to liquidate his outstanding business in part or in full and in any security or group of securities and the Disciplinary Action Committee or the Executive Director may require a Member/Trading Member to suspend his business in part or in full in any security or group of securities under the following circumstances:</p>
424.	i)	<b>Prejudicial Business</b>	when, in the opinion of the Disciplinary Action Committee or the Executive Director, the Member/Trading Member conducts business in a manner prejudicial to the Exchange by making purchases or sales of securities or offers to purchase or sell securities for the purpose of upsetting the equilibrium of the market or bringing about a condition of demoralisation in which prices will not fairly reflect market values, or by building up positions in any security or group of securities which may endanger the safety and integrity of the market;or
424.	ii)	<b>Unwarrantable Business</b>	when, in the opinion of the Disciplinary Action Committee or the Executive Director, he engages in unwarrantable business or effects purchases or sales for his client's account or for any account in which he is directly or indirectly interested which purchases or sales are excessive in view of his client's or his own means and financial resources or in view of the market for such security, or
424.	iii)	<b>Unsatisfactory Financial Condition</b>	when, in the opinion of the Disciplinary Action Committee or the Executive Director, he is in such financial condition that he cannot be permitted to do business with safety to his creditors or the Exchange, or which is likely to affect the clearing and settlement process.
425.			<p><b>Members/Trading Members and others to testify and give Information</b></p> <p>A Member/Trading Member shall appear and testify before and cause his designated partners, designated directors in the case of a company, approved users, authorised representatives, agents, sub-brokers, remisiers and employees to appear and testify before the Governing Board or the Disciplinary Action Committee or any other committee or the Executive Director or any officer of the Exchange authorised in that behalf and shall produce or cause to be produced before the concerned authority such books, correspondence, documents, papers and records or any part thereof which may be in his possession and which may be deemed relevant or material to any matter under inquiry or investigation.</p>
426.			<b>Permission Necessary for Legal Representation</b>

			No person shall have a right to be represented by professional counsel, attorney, advocate or representative in any investigation or hearing before the Governing Board, the Disciplinary Action Committee or any other committee or the Executive Director or any officer of the Exchange authorised in that behalf unless the concerned authority so permits.
427.			<p><b>Notice of Penalty and Suspension of Business</b></p> <p>Notice shall be given to the Member/Trading Member concerned and to the Members/Trading Members in general affixed on the notice board or broadcast on the automated trading system of the Exchange, relating to the expulsion or suspension or declaration of a defaulter/deemed defaulter of a Member/Trading Member imposed on him or on his designated partners or designated directors in the case of a company. The Disciplinary Action Committee or the Executive Director may, as the case may be, in its or his absolute discretion and in such manner as it or he thinks fit, notify or cause to be notified/broadcast to the Members/Trading Members of the Exchange or to the public that any person who is named in such notice/broadcast has been expelled, suspended or declared a defaulter/deemed defaulter. No action or other proceedings shall, in any circumstances, be maintainable by such person against the Exchange or the Governing Board or the Disciplinary Action Committee or any other committee or the Executive Director or any officer or employee of the Exchange for the publication or circulation of such notice/broadcast.</p>
			<b>CHAPTER – XI</b>
			<b>FINANCE AND ACCOUNTS, ENTRANCE FEE, ADMISSION FEE, ANNUAL SUBSCRIPTION AND BASE MINIMUM CAPITAL</b>
428.			<p><b>Subscriptions and Receipts</b></p> <p>The Executive Director, or any one or more officers of the Exchange to whom such powers are delegated, shall recover and receive all subscriptions, donations, fees, fines, deposits, margin monies and all other monies due and payable to the Exchange and shall give receipts for the same.</p>
429.			<p><b>Operation of Accounts</b></p> <p>A Current Account and a Safe Custody Account will be opened with any scheduled bank or banks in the name of the Exchange and such accounts shall be operated by the officers including the Executive Director, of the Exchange in accordance with the authority given to them under a Resolution of the Governing Board of the Exchange from time to time.</p>
430.			<p><b>Expenses and Accounts</b></p> <p>The Executive Director and/or the Secretary of the Exchange authorised by the Governing Board shall defray out of the funds of the Exchange all expenses incurred in accordance with the amounts provided for such heads of expenses in the budget for the relevant financial year approved by the Governing Board, on behalf of the Exchange and shall keep a full and detailed account of all receipts and disbursements. The Executive Director shall cause a full and detailed account to be kept of the income and expenditure and of the funds and investments of the Exchange by having a system in place to exercise budgetary control. The Executive Director shall have authority to incur the expenditure within the budgetary provisions. If there is, however, any upward revision from the budgetary provisions or an item of expenditure not provided for in the budget and / or is beyond the authorised limits to be incurred, the Executive Director shall obtain approval of the Governing Board for the same.</p>
431.			<p><b>Financial Statement and Balance Sheet</b></p> <p>The Executive Director shall cause the half-yearly Financial statement of Accounts to be prepared and laid before the Governing Board of the Exchange. The Executive Director shall also place before the Governing Board on a half-</p>

			yearly basis details of size and utilisation of Settlement Guarantee Fund, Investors' Protection Fund, and Investors' Services Fund, number of cessation of Membership/Trading Membership rights, including declaration of defaulters and expulsions and number of surrender of Membership/Trading Membership rights, etc., along with the accounts of defaulters and expelled Members/Trading Members approved by the Committee for Settlement of Claims Against Defaulters, and the amount of outstanding listing fees with the names of companies in default. The half-yearly Financial statement shall then be published in a widely circulated national daily within 10 calendar days of the Governing Board taking on record, for the information of the Members/Trading Members of the Exchange and the investors and the said information shall then become public documents. The half-yearly Financial statement shall be posted by the Exchange on its website and copies of these documents shall be made available to investors, intermediaries and general public at a reasonable cost.
			<b>ENTRANCE FEE / ADMISSION FEE / ANNUAL SUBSCRIPTION</b>
432.			<p><b>Entrance Fee</b> A newly admitted Member/Trading Member shall pay, within fifteen calendar days of receipt of intimation of admission, the entrance fee as may be determined by the Governing Board from time to time.</p> <p>PROVIDED that no entrance fee shall be payable by a Member/Trading Member who has been nominated as a candidate for admission under the Articles of the Exchange.</p>
433.			<p><b>Admission Fee</b> A newly admitted Member/Trading Member shall, on admission, whether nominated or not, pay, within fifteen calendar days of receipt of intimation of such admission, admission fee as the Governing Board may determine from time to time.</p>
434.			<p><b>Annual Subscription</b> A newly admitted Member/Trading Member shall, on admission, pay, within fifteen calendar days of receipt of intimation of such admission, the annual subscription for the year of admission as decided by the Governing Board from time to time. The annual subscription for the subsequent financial year shall be payable by the Member/Trading Member within thirty calendar days of the commencement of the financial year.</p>
435.			<p><b>Failure to Pay Entrance Fee, Admission Fee or Annual Subscription</b> If a newly admitted Member/Trading Member fails to pay entrance fee, if applicable, admission fee or annual subscription, within the stipulated period, his election/selection shall be deemed null and void and such person, whether an individual or a partnership firm or a company, shall be deemed never to have been elected / selected a Member/Trading Member .</p>
436.			<p><b>Other Charges or Fees</b> A newly admitted Member/Trading Member shall until otherwise prescribed by the Governing Board, pay to the Exchange such sum as a fee towards development activities or such other charges and / or fees at such time and in such manner as may be determined by the Governing Board from time to time. The said sum shall immediately upon registration of the candidate as a Member/Trading Member become the absolute property of the Exchange .</p> <p>PROVIDED that the Governing Board may waive payment of Development fee towards development activities prescribed by the Governing Board from time to time on admission of a corporate Member/Trading Member if such corporate Member/Trading Member has purchased any share of the Exchange which has been forfeited and sold by the Exchange in exercise of the powers conferred on the Exchange.</p>
			<b>BASE MINIMUM CAPITAL</b>
437.			<p><b>Provision as to Base Minimum Capital</b> A new Member/Trading Member shall, not later than thirty calendar days from</p>

			<p>the date of intimation in writing by the Exchange conveying about admission, before he exercises the privileges of Membership/Trading Membership such as doing business in the Exchange etc., provide base minimum capital of a sum as may be decided by the Governing Board or be specified by SEBI from time to time and shall maintain such base minimum capital with the Exchange at all times.</p> <p>PROVIDED that if a Member/Trading Member's family member be admitted to partnership firm which is admitted as Member/Trading Member, such person shall not be required to provide any amount towards base minimum capital during the period such person continues to be a designated partner with the partnership firm of the concerned Member/Trading Member.</p> <p>However, a Member/Trading Member may be required to furnish an additional deposit of such amount as the Governing Board may prescribe and any such additional amount shall be deemed to be part of their Base Minimum Capital. Such deposit shall be charged with due payment of all debts due by and all obligations of such Members/Trading Members to the Exchange and all such debts &amp; obligations due to The Exchange shall in priority to all other claims and then the debts due to the Member/Trading Member of the Exchange by such Member/Trading Member shall rank pari-pasu and be entitled to charge on the Base Minimum Capital of such Members/Trading Members subject to such first charge. A Member/Trading Member providing Base Minimum Capital under the provisions of this Article, shall sign a letter of declaration in such form as the Governing Board may from time to time prescribe.</p>
438.			<p><b>Form of Base Minimum Capital for Members/Trading Member and Designated Partners</b></p> <p>The base minimum capital to be paid by a Member/Trading Member or designated partner shall be provided by depositing cash, deposit receipt of an approved bank or bank guarantee of an approved bank or in approved securities subject to such terms and conditions as the Governing Board or SEBI may from time to time stipulate. The proportion in which cash, fixed bank deposit, bank guarantee and approved securities be provided, the proportion of cash deposit that shall not carry any interest and the percentage of margin for the purpose of valuation of approved securities deposited to meet with the requirements of the base minimum capital shall be as decided by the Governing Board or SEBI from time to time.</p>
439.			<p><b>Manner of Holding of Base Minimum Capital</b></p> <p>Fixed Bank Deposit Receipts and approved securities, required to be maintained by a Member/Trading Member, shall be transferred to and held in the name of the Exchange. Such deposits shall be entirely at the risk of the Member/Trading Member providing the base minimum capital but it shall be held by or the Exchange, solely for and on account of the Exchange at the absolute discretion of the Exchange without any right whatever on the part of such Member/Trading Member, or those in his right, to call in question the exercise of such discretion.</p>
440.			<p><b>Value of Base Minimum Capital to be Maintained</b></p> <p>The Member/Trading Member providing base minimum capital in the form of approved securities, shall always maintain the value thereof at not less than the sum prescribed by the Governing Board or SEBI under Article 438 and the Member/Trading Member or designated partner shall be required to deposit deficient amount, if any, within a maximum period of five working days from the date of intimation in writing by the officer of the Exchange authorised in that behalf to such Member/Trading Member.</p>
441.			<p><b>First Charge/ Paramount Lien on Base Minimum Capital</b></p> <p>The base minimum capital provided by a Member/Trading Member shall be subject to a first charge and paramount lien on any sum due to the Exchange or to the Clearing House by the Member/Trading Member. Such base minimum capital shall also be subject to further charge and paramount lien for the purpose of fulfilment of the engagements, obligations and liabilities of the Member/Trading Member arising out of or incidental to any transactions made</p>



			subject to the Articles, Bye-laws and Regulations of the Exchange or anything done in pursuance thereof.
442.			<b>Change of Securities</b> A Member/Trading Member may withdraw any approved security provided by him, once in every calendar quarter, if he first provides in lieu thereof other approved security of sufficient value and as notified by the Exchange.
444.			<b>Conditions for Other Approved Securities</b> All further and other approved securities provided by a Member/Trading Member shall be subject to the same conditions as the approved securities originally provided.
445.			<b>Constitution of Settlement Guarantee Fund</b> The Governing Board shall set apart from out of the Security deposit paid by Member/Trading Members for constituting the Settlement Guarantee Fund or such other Fund as may be decided by the Governing Board as corpus or as contribution from the Members/Trading Members.
446.			<b>Return of Base Minimum Capital to Members/Trading Members and Designated Partners</b> On the termination of Membership/Trading Membership or on the surrender of Membership/Trading Membership or on buyback of Membership/Trading Membership or on the death of the Member/Trading Member, the base minimum capital not applied under the Articles, Bye-laws and Regulations of the Exchange shall, at the cost of the Member/Trading Member or designated partner be repaid subject to such terms and conditions as may be decided by the Governing Board from time to time and transferred either to the Member/Trading Member or as directed the Member/Trading Member or in the absence of such directions to his legal heirs/legal representatives.
447.			<b>Suspension on Failure to Maintain Base Minimum Capital</b> When a Member/Trading Member fails to provide base minimum capital as provided under Article 438 , the Executive Director shall order deactivation of the trader work station/s suspending his business forthwith. A broadcast message of such deactivation shall immediately be released for information of other Members/Trading Members and such deactivation shall continue until further capital is provided by the defaulting Member/Trading Member to meet with the requirement of base minimum capital.
			<b>For Remisiers</b>
			<b>FEES FOR REMISIERS</b>
448.			<b>Annual Fee</b> A Member/Trading Member shall be required to pay the annual fee as the Governing Board may prescribe from time to time within two working days of admission of a remisier appointed by him.
449.			<b>Other Charges or Fees</b> A remisier shall pay such other charges and / or fees at such time and in such manner as may be determined by the Governing Board, from time to time.
			<b>BASE MINIMUM CAPITAL FOR REMISIERS</b>
450.			<b>Provision as to Base Minimum Capital</b> The employing Member/Trading Member shall require a remisier to provide base minimum capital of such sum as may be decided by the Governing Board or SEBI from time to time immediately upon registration and shall maintain such base minimum capital with the Exchange at all times during the period he continues to be a remisier with such Member/Trading Member.

451.			<p><b>Form of Base Minimum Capital</b></p> <p>The proportion in which cash, fixed deposit receipt of an approved bank, bank guarantee or approved securities, the proportion of cash deposit that shall not carry any interest and the margin for the purpose of valuation of approved securities deposited to meet with the requirement of the base minimum capital shall be as may be decided by the Governing Board or SEBI from time to time.</p>
452.			<p><b>Manner of Holding of Base Minimum Capital</b></p> <p>Fixed Bank Deposit Receipts and approved securities, required to be maintained by a remiser, shall be transferred to and held in the name of the Exchange. Such deposits shall be entirely at the risk of the Member/Trading Member providing the base minimum capital but it shall be held by the Exchange solely for and on account of the Member/Trading Member for whom remiser is working.</p>
453.			<p><b>Return of Base Minimum Capital</b></p> <p>On the termination of his employment or on his resignation or in the event of the death of the remiser, base minimum capital not applied under the Articles, Bye-Laws and Regulations of the Exchange shall, at the cost of the remiser, be repaid and transferred to him or as directed by him or in the absence of such direction to his legal heirs/legal representatives.</p>
			<p><b>For Approved Users</b></p>
			<p><b>FEES FOR APPROVED USERS</b></p>
454.			<p><b>Annual Subscription</b></p> <p>The Member/Trading Member employing approved users operating the trader work station/s shall pay to the Exchange the annual subscription as the Governing Board may from time to time prescribe in this behalf.</p>
455.			<p><b>Other Charges/Fees</b></p> <p>The employing Member/Trading Member shall pay to the Exchange such charges/fees in respect of approved users operating the trader work station/s at such time and in such manner as may be determined by the Governing Board from time to time.</p>
456.			<p><b>Remuneration of Agents and Employees</b></p> <p>No agent or employee of a Member/Trading Member shall be paid any remuneration other than a fixed salary. The salary shall not vary with the business though it may be supplemented by a reasonable bonus or a share of the commission on the business introduced by him in the manner provided in the Articles, Bye-laws and Regulations of the Exchange.</p>
			<p><b>THE SEAL</b></p>
457.			<p>The Governing Board shall provide for the safe custody of the Seal and the Seal shall never be used except by the authority of the Governing Board previously given and two members of the Governing Board at least shall sign every instrument to which the Seal is affixed and every such instrument shall be countersigned by the Secretary or other officer appointed by the Governing Board in that behalf provided, nevertheless, that any instrument bearing the seal of the Exchange and issued for valuable consideration shall be binding on the Exchange notwithstanding any irregularity touching the authority of the Governing Board to issue the same.</p>
			<p><b>ANNUAL RETURNS</b></p>
458.			<p>The Exchange shall make the requisite annual returns in accordance with Section 159 of the Companies Act, 1956.</p>
			<p><b>PROFITS</b></p>
459.			<p>The profits, if any, or other income or property of the Exchange whensoever derived, shall be applied in promoting its objects as set forth in its Memorandum &amp; Articles of Association in such manner as the Governing</p>

			Board may in its absolute discretion think fit and no distribution of profits shall be made amongst the members of the Exchange.
			<b>ACCOUNTS AND BALANCE SHEET</b>
			<b>Books and Documents</b>
460.			The Governing Board shall cause true accounts to be kept of the sums of money received and expended by the Exchange and the matters in respect of which such receipts and expenditure takes place and of the assets , credits and liabilities of the Exchange.
461.			The Exchange shall maintain and preserve the following Books of Accounts and documents including its hard and soft copies thereof:- a) A record of Security Deposits b) Margin Deposits Register c) Ledgers d) Journals e) Cash Book f) Bank Pass Book and its relevant documents
462.			Books of Accounts shall be kept at the Registered office or at such place as the Governing Board thinks fit and shall be open to inspection to any member of the Governing Board during business hours
463.			The Governing Board shall from to time determine whether and to what extent and at what time and places and under what conditions or regulations the books of accounts and documents of the Exchange or any of them shall be open to the inspection of the members and no Member/Trading Member shall have any right of inspecting any account or books or documents of the Exchange except as confirmed by statute or authorised by the Governing Board or by a resolution of the Exchange in a General Meeting
464.			At every Annual General Meeting held in pursuance of Section 166 of the Companies Act, 1956, the Governing Board shall lay before the Exchange a Balance Sheet at the end of the period specified in Sub-Section 3 of Section 210 of the Companies Act, 1956 and a Balance Sheet containing a summary of the property and liabilities of the Exchange and the Income and Expenditure Account made up to a date which shall not precede the date of the meeting by more than six months, or in cases where an extension of time has been granted for holding the meeting under the second provisio to sub-section (1) of Section 166 by more than six months and the extension so granted. The said Balance Sheet shall be in the Form prescribed in Part I, Schedule VI of the Companies Act, 1956 or as nearer thereto as the circumstances admit.
465.			The Auditors' Report (to be prepared in accordance with the provisions of Article 473(2) hereof) shall be attached to the Balance Sheet or there shall be inserted at the foot thereof a reference to the Report, and the Report shall be read at the General Meeting and shall be open to inspection by any shareholder.
466.			Every such Balance Sheet shall be accompanied by a Report of the Governing Board as to the state and condition of the Exchange and as the manner in which they propose to deal with the profits according to the provisions in that behalf hereinbefore contained and the Report and the Balance Sheet shall be signed by the Chairman and the Executive Director and shall be countersigned by the Secretary.
467.			A printed copy of such Balance Sheet, together with the Reports of the Auditors and Governing Board shall, at least twenty one days previously to the meeting, be sent to the registered address of every member of the Exchange and to all persons other than such members, being persons entitled to receive such copies, and a copy shall also be maintained at the Registered Office of the Exchange for the inspection of members of the Exchange during a period of at least twenty one days before the meeting.
468.			After the Balance Sheet has been laid before the Exchange at the Annual General Meeting three copies thereof duly signed by the Secretary of the Exchange shall be filed with the Registrar of Companies under the provision of Section 220 of the Companies Act, 1956 .

			<b>AUDIT</b>
469.			Once at least in every year the accounts of the Exchange shall be examined and the correctness of the Balance Sheet ascertained by one or more Auditor or Auditors.
470 (1)			The Exchange shall at each Annual General Meeting appoint an Auditor or Auditors to hold office from the conclusion of that meeting until the conclusion of the next following Annual General Meeting.
470 (2)			At any Annual General Meeting the retiring Auditor by whatsoever authority appointed shall be re-appointed unless :-
470 (2)	i)		he is not qualified for reappointment; or
470 (2)	ii)		a resolution has been passed at that meeting appointing somebody instead of him or providing expressly that he shall not be re-appointed; or
470 (2)	iii)		he has given to the Exchange notice in writing of his unwillingness to be re-appointed; or
470 (2)	iv)		where notice has been given of an intended resolution to appoint some person or persons in place of retiring auditor and by reason of the death, incapacity or disqualification of that person or of all those persons, as the case may be the resolution cannot be proceeded with.
470 (3)			Where at an Annual General meeting no auditors are appointed or re-appointed, the Central Government may appoint a person to fill up the vacancy.
470 (4)			The Exchange shall within seven days of the Central Government's power under Article 470(3) herein becoming exercisable, give notice to that effect to the Central Government.
470 (5)	a)		The Governing Board may fill any casual vacancy in the office of an auditor; but while any such vacancy continues, the remaining auditor or auditors, if any, may act . PROVIDED THAT where such vacancy is caused by the resignation of an auditor, the vacancy shall only be filled by the Exchange in General Meeting.
470 (5)	b)		Any auditor appointed in a casual vacancy shall hold office until the conclusion of the next following Annual General Meeting.
470 (6)			Any auditor appointed under this Article may be removed from office before the expiry of his term only by the Exchange in General Meeting after obtaining the previous approval of the Central Government in that behalf.
471			<b>Auditor's remuneration</b> The remuneration of the Auditors of the Exchange :-
471	i)		in the case of an Auditor appointed by the Governing Board or the Central Government, may be fixed by the Governing Board or the Central Government, as the case may be; and
471.	ii)		subject to Sub-clause (i) of this Article, shall be fixed by the Exchange in a General Meeting or in such manner as the Exchange in a General Meeting may determine.  For the purposes of this Article, any sums paid by the Exchange in respect of the Auditors' expenses shall be deemed to be included in the expression "remuneration".
472 (1)			Special notice shall be required for any resolution to be proposed at the Annual General Meeting of the Exchange for appointing as Auditor a person other than a retiring Auditor or providing expressly that a retiring Auditor shall not be re-appointed.
472 (2)			On receipt of notice of such a resolution, the Exchange shall forthwith send a copy thereof to the retiring Auditor.

472 (3)			Where notice is given of such a resolution and the retiring Auditor makes with respect thereto representations in writing to the Exchange (not exceeding a reasonable length) and requests their notification to members of the Exchange, the Exchange shall, unless representations are received by it too late for it to do so :-
472 (3)	i)		in any notice of the resolution given to members of the Exchange, state the fact of the representations having been made; and
472 (3)	ii)		send a copy of the representations to every member of the Exchange to whom notice of the meeting is sent, whether before or after the receipt of the representations by the Exchange; and if a copy of the representations is not sent as aforesaid because they were received too late or because of the Exchange's default, the Auditor may (without prejudice to his right to be heard orally) require that the representations shall be read out to the meeting.
472 (4)			Articles 472(2) and 472(3) hereof shall apply to the removal of any auditor or auditors under sub-section (7) of Section 224 of the Companies Act, 1956, as they apply in relation to a resolution that a retiring Auditor shall not be re-appointed.
473 (1)			Every Auditor of the Exchange shall have a right to access at all times to the books and accounts and vouchers of the Exchange and shall be entitled to enquire from the Governing Board and officers of the Exchange such information and explanation as may be necessary for the performance of the duties of the Auditors.
473 (2)			<b>Auditor's report to shareholders</b> The Auditors shall make a report to the shareholders on every Balance Sheet laid before the Exchange in General Meeting during their tenure of office and the report shall state :-
473 (2)	i)		whether or not they have obtained all the information and explanation they have required; and
473 (2)	ii)		whether in their opinion the Balance Sheet, referred to in the report is properly drawn up so as to exhibit a true and correct view of the state of the Exchange's affairs according to the best of their information and the explanations given to them and as shown by the books of the Exchange.
474.			Every Balance Sheet of the Governing Board when audited and approved by a General Meeting shall be conclusive except as regards any error discovered therein within three months next after the approval thereof. Whenever any such error is discovered within that period the Balance Sheet shall forthwith be corrected and thenceforth shall be conclusive.
			<b>NOTICES</b>
475.			A document may be served by the Exchange on any member either personally or by sending it by post to his registered address (or if he has no registered address in India) to the address, if any, within India supplied by him to the Exchange for the giving of notice to him or by posting the notice on the Notice Board of the Exchange .
476.			Each holder of registered shares shall from time to time notify in writing to the Exchange some place in India to be registered as his address and such registered place of address shall for all purposes be deemed his place of residence.
477.			As regards any member who has not notified in writing to the Exchange some place in India to be registered as his address a notice posted up in the registered office shall be deemed to be well served on him at the expiration of twenty-four hours from the time when it is so posted up.
478.			Any notice sent by post shall be deemed to have been served on the day following that on which the envelope or wrapper containing the same is posted and in proving such service it shall be sufficient to prove that the envelope or

			wrapper containing the notice was properly addressed and put into the post office and a certificate in writing signed by any member of the Governing Board or other officer of the Exchange that the envelope or wrapper containing the notice was so addressed and posted shall be conclusive evidence thereof.
479.			Every person who by operation of law of transfer or other means whatsoever shall become entitled to any share be bound by every notice in respect of such share which previous to his name and address being entered on the register shall be duly given to the person from whom he derives his title to such share.
480.			Any notice or document delivered or sent by post to or left at the registered address of any member in pursuance of these presents shall notwithstanding such member be then deceased and whether or not the Exchange have notice of his decease be deemed to have been duly served in respect of any registered shares held by such member until some other person be registered in his stead as the holder and such service shall for all purposes of these presents be deemed a sufficient service of such notice or document on his or her heirs, executors or administrators.
481.			The signature to any notice to be given by the Exchange may be written or printed.
482.			In the event of a winding-up of the Exchange every member of the Exchange who is not for the time being in Kolkata shall be bound within eight weeks after the passing of an effective resolution to wind-up the Exchange voluntarily or the making of an order for the winding-up of the Exchange to serve notice in writing on the Exchange appointing some householder residing in Kolkata upon whom all summonses, notices, process, orders and judgements in relation to or under the winding-up of the Exchange may be served and in default of such nomination the Liquidator of the Exchange shall be at liberty on behalf of such member to appoint some such person, and service upon any such appointee whether appointed by the member or the Liquidator shall be deemed to be good personal service on such member for all purposes and where the Liquidator makes any such appointment he shall with all convenient speed give notice thereof to such member by advertisement in some Kolkata daily newspaper or by a registered letter sent through post and addressed to such member at his address as mentioned in the Register of Members of the Exchange and such notice shall be deemed to be served on the day following that on which the advertisement appears or the letter is posted. The provisions of this Article shall not prejudice the right of the Liquidator of the Exchange to serve any notice or other document in any other manner prescribed by the regulations of the Exchange.
			<b>SECRECY</b>
483.			Every Auditor, Trustee, member of the Governing Board, officer, servant, agent, accountant, or other person employed in the business of the Exchange shall, if so required by the Governing Board before entering upon his duties, sign a declaration pleading himself to observe a strict secrecy respecting all transactions of the Exchange, and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required so to do by the Governing Board or by any meeting or by a court of law or by the person to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions in these presents contained.
484.			Except as provided by the Bye-laws for the time being in force no member or other person shall be entitled to enter the property of the Exchange or to inspect or examine the Exchange premises or properties or the books of accounts of the Exchange without the permission of the Governing Board or to require discovery of or any information respecting any detail of the Exchange affairs or of any matter whatsoever which may relate to the conduct of the business of the Exchange and which in the opinion of the Governing Board will be inexpedient in the interest of the members of the Exchange to communicate.

			<b>WINDING-UP</b>
485.			In the case of winding up or dissolution or merger or amalgamation of the Exchange with any other stock exchange, trade or commercial body, the net surplus assets of the Exchange after meeting all the liabilities and the expenses of winding-up or dissolution or merger or amalgamation shall not be paid to or distributed among the members of the Exchange but shall be transferred or handed over to any other body or organization or a company having objects similar to the objects of the Exchange or to anybody constituted mainly for the benefit of the public in the advancement of knowledge, commerce or with objects beneficial to the advancement of any other object of general public utility and the promotion of industry, commerce and art.
			<b>INDEMNITY</b>
486.			Every member of the Governing Board and other officer or servant of the Exchange shall be indemnified by the Exchange against, and it shall be the duty of the Governing Board out of the funds of the Exchange to pay all costs, losses and expenses which any such member of the Governing Board, officer or servant may incur or become liable to by reason of any contract entered into, or act or thing done by him as such member of the Governing Board, officer or servant or in any way in the discharge of his duties including traveling expenses and the amount for which such indemnity is provided shall immediately attach as a lien on the property of the Exchange and have priority as between the members over all other claims.
487.			No member of the Governing Board or other officer of the Exchange shall be liable for the acts, receipts, neglect or defaults of any other member of the Governing Board or officer or for joining in any receipt or other act for conformity or for any loss or expenses happening to the Exchange through the insufficiency or deficiency of title to any property acquired by order of the Governing Board for or on behalf of the Exchange or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Exchange shall be invested or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person with whom any moneys, securities or effects shall be deposited or for any loss occasioned by any error of judgement or oversight on his part, or for any other loss, damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto unless the same happen through his own dishonesty.

Name address and Descriptions of Subscribers	Number of shares taken by each Subscriber	Name, Address and Description of Witnesses
N.L. ROY & CO., Stock & Shares Brokers, 2, Royal Exchange Place, Calcutta	One	T. MILNE CHAPMAN, Stock Brokers, 1, Commercial Building, Calcutta
RAMDEV CHOKHANY, Stock Brokers 2, Royal Exchange Place, Calcutta	One	
MOHENDRA NATH ROY & SON, Stock Brokers 2, Royal Exchange Place, Calcutta	One	
PRASAD DAS BORAL & BROS. Stock Brokers 28, Swallow Lane, Calcutta	One	
MUGNEERAM BANGUR & CO., Stock Brokers 2, Royal Exchange Place, Calcutta	One	
PLACE, SIDDONS & GOUGH Stock Brokers 1, Commercial Building, Calcutta	One	
D.A. GUBBAY & CO., Stock Brokers 6, Pollock Street, Calcutta	One	
J. REED & CO., Stock Brokers 2, Royal Exchange Place, Calcutta	One	
NARAYANDASS KHANDELWAL & CO. Stock Brokers 2, Royal Exchange Place, Calcutta	One	
CHUNDER COOMER UGURWAL & CO. Stock Brokers 2, Royal Exchange Place, Calcutta	One	
GORALALL SEAL Stock Brokers 2, Royal Exchange Place, Calcutta	One	
G. WARD & CO., Stock Brokers 2, Royal Exchange Place, Calcutta	One	
SUGAN CHAND BAGREE Stock Brokers 2, Royal Exchange Place, Calcutta	One	
<b>T O T A L</b>	<b>Thirteen</b>	

Dated, the 7<sup>th</sup> day of June, 1923